

STAM / STREL

1991

POOR QUALITY ORIGINAL

**Smead®**

No. 153L

DCA  $\Rightarrow$  Propanit

Rohm + ~~Haas~~ Haas  
agreement

INDEPENDENCE MALL WEST PHILADELPHIA, PA. 19105, U.S.A. TELEPHONE (215) 592-3000  
CABLE ADDRESS: ROHMHAAS TELEX 845-247 TWX 710-670-5335 TELECOPIER (215) 592-3377

CC: Charlie  
Neil  
Edna



December 18, 1990

Mr. W. C. Keese  
Vice President - Pesticides  
Cedar Chemical Corporation  
24th Floor  
5100 Poplar Avenue  
Memphis, TN 38137

Dear Mr. Keese:

We have elected to exercise our option of supplying DCA to Cedar Chemical for the production of Propanil in 1991, as per our sales agreement.

We will supply the following quantity of 98% DCA:

317,842 gals. Propanil X 3.152 lbs. DCA/gal. = 1,001,838 lbs. DCA (100% A.I.)

The initial price Cedar Chemical will invoice Rohm and Haas for the 317,842 gals. is \$5.779/gal.

Initial price calculated as follows:

1990 final selling price Rohm and Haas:  $\$14.00 \times 80\% = \$11.200$   
less cost: DCA supplied 3.152 lbs. DCA/gal. x  $\$1.72/\text{lb.} = \underline{\$5.421}$

Net amount of invoice to Rohm and Haas per gal. = \$5.779

I will contact you after the holidays regarding our option of auditing the bona fide price per lb. (\$1.72, 100% basis) for DCA purchased by Cedar as stated in your letter dated November 30, 1990.

Please contact me if you have any questions.

Sincerely,

M. J. Carr  
Financial Manager  
Agricultural Chemicals

MJC:val W.C. KEESE  
0002g

J. R. Tondle  
A. T. Malone



**VERTAC CHEMICAL CORPORATION**

24th Floor • 5100 Poplar • Memphis, TN 38137 • 901-767-6851

TELEX 53927

July 1, 1986

Mr. James F. Anderson  
Counsel  
Rohm and Haas Company  
Independence Mall West  
Philadelphia, Pennsylvania 19105

Dear Mr. Anderson:

Re: Propanil Sales Agreement - Addendum No. 3

Enclosed is a copy of Addendum No. 3 executed by Vertac and assigning to Cedar Chemical Corporation Vertac's rights under the December 7, 1981, Propanil Sales Agreement.

We appreciate your assistance in finalizing this matter, and I am sure that Cedar Chemical will continue to provide the same quality product and service previously supplied by Vertac.

Sincerely yours,

C. P. Bomar, Jr.  
President and  
Chief Executive Officer

CPB:ap

Enclosure

cc: Mr. John C. Bumpers

SALES AGREEMENT - ADDENDUM NO. 3

THIS ADDENDUM, dated as of January 1, 1986, amends the Sales Agreement dated December 7, 1981 (the "Sales Agreement") between ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH"), and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac"), as heretofore amended by Addendum No. 1 dated March 29, 1982 and Addendum No. 2 dated as of December 31, 1984.

BACKGROUND

A. Vertac has proposed to assign its rights under the Sales Agreement, as well as its rights in certain other assets related to its propanil business, to Cedar Chemical Corporation, a Delaware corporation, and has requested RandH's consent thereto in accordance with the proposed letter agreement from W. C. Keese on behalf of Vertac to William P. Ambrogi on behalf of RandH dated March 26, 1986, a copy of which is attached hereto (the "Consent").

B. RandH is willing to enter into the Consent, but only on the condition that the Sales Agreement be amended in accordance with the terms hereof.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. The Consent requested by Vertac in the form attached hereto is hereby granted by and on behalf of RandH.

2. Article 3 of the Sales Agreement as amended by Addendum No. 2 is deleted and the following is inserted in lieu thereof:

3. Price

(a) Final Price. For all Product delivered by Vertac in a given Contract Year, RandH shall pay Vertac a Final Price per gallon f.o.b. Vertac's West Helena, Arkansas plant equal to 1) 85% of the Final Average Weighted Distributor Price (as hereinafter defined) for that Contract Year less 2) the cost, determined as set forth in Article 7, of the DCA supplied by or on behalf of RandH. [The Final Average Weighted Distributor Price for any Contract Year shall be equal to the total invoiced price for all Product shipped by RandH to its U.S. Distributors during a Contract Year less (1) any discounts from the invoiced price granted by RandH in respect of

sales of Product, and (2) the amount of any year-end rebates paid or granted by RandH in respect of sales of Product, divided by the total number of gallons shipped during such Contract Year. If RandH has issued a credit against the invoiced price of any Product pursuant to any inventory protection plan, such Product, if carried over for rebilling by RandH in a subsequent Contract Year, shall not be deemed as having been shipped during the current Contract Year.

- (b) Initial Price. For all Product delivered by Vertac in a given Contract Year, RandH shall pay Vertac the Initial Price per gallon f.o.b. Vertac's West Helena, Arkansas plant of 80% of RandH's Final Average Weighted Distributor Price for the preceding Contract Year, less the cost, determined as set forth in Article 7, of the DCA supplied by or on behalf of RandH.

(c) Price Adjustments.

(1) Not earlier than October 1 nor later than November 1 of each Contract Year, RandH shall notify Vertac in writing of its Final Average Weighted Distributor Price for Product sold during such Contract Year. If the Final Price determined as set forth in paragraph 3(a) is greater than the Initial Price determined as set forth in paragraph 3(b) paid by RandH, RandH shall pay Vertac the difference between such prices, multiplied by the total number of gallons of Product delivered by Vertac. Such payment shall be made within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price, in accordance with Article 7(a) hereof.

(2) If the Final Price for the current Contract Year is less than the Initial Price per gallon paid by RandH, Vertac shall refund to RandH the difference between such prices multiplied by the total number of gallons of Product delivered by Vertac; provided, however,



Vertac shall not be required to make any payment to RandH to the extent that any such payment would cause Vertac's revenues from sales of Product to RandH to be less than the sum of (a) 112.5% of Vertac's Direct Manufacturing Costs (as hereinafter defined), and (b) 12.5% of the cost of any DCA supplied by RandH pursuant to Article 7 hereof, valued at the price per pound stated in the notice from Vertac to RandH as provided in Article 7. Direct Manufacturing Costs shall mean (a) the raw material and plant operating costs incurred by Vertac to manufacture Product for RandH, (b) a pro rata share of depreciation expense for the equipment and facilities used to manufacture such Product in accordance with Vertac's normal depreciation schedule, and (c) a pro rata share of administrative costs associated with the operation of the Plant used to produce the Product. Any payment due from Vertac under this paragraph shall be due within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price.

(3) Any price adjustments which shall become payable by either party to this Agreement pursuant to the provisions of Section 3(c)(1) or (2) hereinabove shall bear interest from the date of payment of each invoice for Product calculated at the Initial Price pursuant to the provisions of Section 3(b) hereof to the date of payment of any adjustment required pursuant to the provisions of Section 3(c)(1) or (2) hereinabove. Such interest shall be calculated at the prime rate of interest reported by the Wall Street Journal on May 1 of each Contract Year or, if the Wall Street Journal is not published on May 1, the next day on which the Wall Street Journal is published, such interest shall be due and payable on the same date that such price adjustment pursuant to Section 3(b)(1) or (2) shall become due.

3. Except as amended hereby, the provisions of the Sales Agreement, as previously amended, shall continue in full force and effect during the remaining term hereof.

IN WITNESS WHEREOF, the parties have executed this  
Addendum No. 3 this 30th day of April, 1986.

ATTEST:

By: *R. L. Owens*  
Secretary

ROHM AND HAAS COMPANY

By: *W. C. Harvath*  
Vice President

ATTEST:

By: *John Bumpers*  
Secretary

VERTAC CHEMICAL CORPORATION

By: *J. Randal Kimbrell*  
Vice President

*ATW*

SALES AGREEMENT

This Agreement made and entered into this 7<sup>th</sup> day of December, 1981 by and between Rohm and Haas Company, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania (hereinafter "RandH") and Vertac Chemical Corporation, a Delaware corporation having its principal place of business at Memphis, Tennessee (hereinafter "Vertac").

WHEREAS, Vertac owns and operates a propanil manufacturing facility located at West Helena, Arkansas (hereinafter the "Plant"); and

WHEREAS, RandH desires to purchase from Vertac and Vertac desires to sell to RandH during the term of this agreement the quantities of formulated 4 pound propanil meeting the specifications attached hereto as Exhibit A (hereinafter "Product") packaged in 35 gallon drums packaged under RandH's EPA registered label (said labels to be furnished by RandH) at the prices and in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is agreed:

1. Term

The term of this agreement shall be for the period January 1, 1982 through June 11, 1991, comprising ten (10) consecutive "Contract Years", the first Contract Year to be the calendar year 1982 and the last Contract Year to be for the period January 1 through June 11, 1991.

2. Quantities

Vertac shall sell to RandH and RandH shall purchase from Vertac in each Contract Year during the term hereof the lesser of (a) (i) 332,500 gallons of Product in each of the first two Contract Years and (ii) thereafter, in each remaining Contract Year 400,000 gallons of Product or (b) such number of gallons of

Product as shall be equal to 20% of the total gallons of Product (or other propanil-containing product registered with EPA for the same use as Product, converted to gallons of formulated 4 pound propanil) sold for use in the United States by RandH in the immediately preceding Contract Year.

3. Price

RandH shall pay to Vertac for the quantities of Product sold and delivered hereunder a price per gallon FOB the Plant equal to 85% of RandH's announced distributor price per gallon of Product in such Contract Year or \$15.30 per gallon whichever is less; provided, however, that in each Contract Year after the first Contract Year the said alternate price per gallon of \$15.30 shall be escalated or de-escalated directly in proportion to the escalation or de-escalation of the Producer's Price Index, Commodity Code 06-5 (Agricultural Chemicals and Products) as published monthly by the Department of Labor, Bureau of Labor Statistics, as effective November, 1981 relative to the same index for November 1982 and for November of each successive Contract Year.

4. Production and Deliveries

During the first two Contract Years Vertac shall manufacture Product for RandH hereunder in campaigns from February 1, through April 30, in quantities of approximately one-third (1/3) of the total quantity of Product to be delivered in such Contract Years in each such month. Thereafter, for the remaining term of this Agreement, Vertac shall manufacture Product for RandH hereunder in campaigns during each Contract Year from February 1 through May 31 in quantities of approximately one-fourth (1/4) of the total quantity of Product to be delivered in such Contract Year in each such month. RandH shall provide Vertac with delivery instructions for Product produced in all such campaigns as produced and Vertac shall cause Product to be delivered by a common carrier designated by RandH in

accordance with such instructions.

5. Startup Premium/

RandH shall pay to Vertac, in addition to the price specified in Article 3 hereunder a premium of 25 cents (\$.25) per gallon for all quantities of Product delivered in the first and the second Contract Years and 16 cents (\$.16) per gallon for all quantities of Product delivered in the third Contract Year, said premium to be invoiced by Vertac in accordance with Article 6.

6. Terms of Payment

Vertac shall invoice RandH for all Product sold and delivered hereunder effective on the date of each such delivery, in accordance with the prices contained herein and RandH shall pay such invoices within thirty (30) days of the dates thereof provided that in the event RandH grants a rebate, discount or other price reduction to its distributors which is applicable to Product earlier invoiced at a higher price, within thirty (30) days of notification by RandH of the corrected invoice figures, Vertac shall refund to RandH any excess payment received from RandH due to such difference between the amount originally billed to the distributor and the amount actually billed by RandH except that in no event shall such refund reduce Vertac's gross profit below \$750,000 for the applicable Contract Year, such sum of \$750,000 being escalated or de-escalated as provided in Article 7. In the event RandH increases its announced distributor price for Product during or prior to a manufacturing campaign by Vertac during any Contract Year hereunder, RandH shall promptly notify Vertac and Vertac shall revise the price for Product as determined in accordance with Article 3 based on such increased distributor price, with respect to Product delivered to RandH on and after the effective date of such price increase.

7. Price Notification/Option to Suspend

On or before December 15, 1981 and on or before December 15 of each Contract Year thereafter except 1991, RandH shall notify Vertac in writing of its announced distributor price for Product during the next successive Contract Year (which price shall be kept confidential by Vertac until such time as the price is made public by RandH) and at the same time RandH shall order the quantity of Product expressed in gallons to be purchased by it in such Contract Year as determined pursuant to Article 2. In the event Vertac determines that it will be unable to manufacture and sell to RandH such quantity of Product in such Contract Year at the price determined hereunder so as to produce a gross profit (revenues less direct manufacturing costs) exclusive of the Startup Premium specified in Article 5 of at least \$750,000 during the first Contract Year, (and \$750,000 escalated or de-escalated in each subsequent Contract Year in direct proportion to the increase or decrease in the Consumer Price Index as published by the U.S. Department of Labor, Bureau of Labor Statistics, effective as of November, 1981 relative to the same Index for November of each successive Contract Year), then, and in that event, Vertac shall have the option, by written notice delivered to RandH not later than December 31 of such year, to suspend its obligation hereunder during such Contract Year. Any such notice of suspension by Vertac shall not effect a termination of this Agreement but shall only be effective for the Contract Year for which such notice is given.

8. Contingent Price Floor

The terms of Article 3 hereof notwithstanding, in the event that the trial of consolidated Civil Actions No.'s 74-H-790 and H-80-2552 pending in the United States District Court for the Southern District of Texas, Houston Division should be concluded with a judgment for the defendants on one or more of the

issues of infringement, validity and enforceability of U.S. Patent 3,816,092, it is agreed that in the event the total payment for Product sold and delivered by Vertac to RandH hereunder during any of the first three Contract Years should result in a gross profit (revenues less direct manufacturing costs) for Vertac in such Contract Year of less than \$600,000 exclusive of the startup premium specified in Article 5, RandH shall pay to Vertac on or before May 31 of each such Contract Year the difference between Vertac's gross profit hereunder and \$600,000 provided, however, in any Contract Year during which this Article 8 shall be applicable the parties shall abide by the following procedure:

Following receipt of the notification from RandH provided in Article 7, Vertac, on or before December 24 of such year shall notify RandH in writing whether its estimated gross profits hereunder during the next succeeding Contract Year are expected to exceed \$600,000. Following receipt of such notice from Vertac, RandH shall notify Vertac in writing on or before December 31 of such year whether it elects to eliminate the contingent price floor provided for in this Article 8 for such Contract Year. In the event of such election by RandH it shall also offer to Vertac a royalty-free license under U.S. Patent 3,816,092 entitled "Herbicidal 3,4-Dichloroanilides" for the first seven (7) months of such Contract Year. Within seven (7) days following receipt of such notice from RandH, Vertac shall notify RandH in writing whether it elects to accept such license. In the absence of such notice by Vertac to RandH, Vertac shall perform in accordance with all of the terms and provisions of this Agreement for such



Contract Year except for the provisions for a  
contingent price floor in this Article 8.

9. Force Majeure

Either of the parties hereto shall be excused from performing its obligations hereunder due to reasons beyond the reasonable control of the party claiming such excuse. If either party claims that it is excused from the performance of its obligations hereunder either totally or partially in the event delayed performance is anticipated, it shall promptly notify the other party in writing so that the resulting damages can be mitigated.

10. Warranty

Vertac warrants that all Product sold and delivered hereunder shall meet the specification attached hereto as Exhibit A. Vertac makes NO OTHER WARRANTY WITH RESPECT TO SAID PRODUCT WHETHER OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND NONE SHALL BE IMPLIED.

11. Indemnification

Rohm and Haas agrees to indemnify Vertac and hold it harmless from any loss or expense including reasonable attorneys' fees that Vertac may suffer as a result of any claim or cause of action asserted against Vertac arising out of or in any way connected with the use, handling, storage or transportation of Product sold hereunder after such Product has been delivered by Vertac to RandH or its designee in accordance with RandH's instructions pursuant to Article 4 hereof.

12. Applicable Law

This contract shall be construed and interpreted in accordance with the laws of the State of Tennessee.

13. Audits

a) At the request and expense of Vertac, RandH shall permit an independent auditor or certified public

accountant appointed by Vertac to whom RandH has no reasonable objection to examine records respecting the sale of propanil for use in the United States to the extent necessary to verify the actual distributor prices billed by RandH together with any changes or adjustments therein. Vertac shall give RandH at least two weeks prior notice of such examination and the examination shall be carried out during ordinary business hours. Such examination may be requested at any time during a calendar year, but shall be limited to the records of the current and immediately preceding calendar years and no records need be kept for a longer time than necessary to comply with this schedule. The results of such examination shall be made available to both Vertac and RandH.

b) At the request and expense of RandH, Vertac shall permit an independent auditor or certified public accountant appointed by RandH to whom Vertac has no reasonable objection to examine records respecting:

i) the number of gallons of 4 pound propanil sold by Vertac in the fourth quarter of 1981 for use in the U.S.

ii) Vertac's gross profit (receipts for sale of Product less direct manufacturing costs) on Product in the event Vertac elects the option granted in Article 7;

iii) Vertac's gross profit on Product in the event Vertac invokes the Contingent Price Floor pursuant to Article 8 in a year in which RandH elected to pay Vertac the shortfall of gross profit; and

iv) Vertac's gross profit on Product in the event Vertac asserts that any refund due under Article 6 must be reduced.

RandH shall give Vertac at least two weeks prior notice of such examination (except under (ii) above in which case RandH shall give Vertac at least three days notice) and the examination shall be carried out during ordinary business hours. The results of such examination shall be made available to both RandH and Vertac.

With respect to (i) above, the examination must be completed no later than January 31, 1982 and no records respecting 1981 fourth quarter sales of propanil need be kept for a longer period of time. Following such examination, at the request of either party, the amount of Product sold to RandH hereunder in 1982 shall be increased or decreased pro tanto from the amounts hereinbefore specified by the amount the examination shows that the amount of 4 pound propanil sold in the fourth quarter of 1981 for use in the U.S. was less than or more than 235,000 gallons.

With respect to (ii) above, the examination must be completed by the January 15 immediately following notification of RandH by Vertac of Vertac's election to exercise the option granted pursuant to Article 7. The result of the examination communicated to the parties shall include the gross profit calculated for the applicable Contract Year and the price of DCA.

With respect to (iii) above, the examination shall be conducted the last two weeks of June of the Contract Year to which it is applicable and RandH shall pay Vertac the sum determined due thirty (30) days thereafter.

With respect to (iv) above, the examination shall be conducted within thirty (30) days of notification to RandH by Vertac that Vertac's gross profit is less than \$750,000 adjusted as provided in Article 7. Within thirty (30) days of receiving the results of such examination the parties will adjust the payments due under this Article 6 in accordance with such examination.

14. Notices

Any notice, or order required hereunder shall be mailed, postage prepaid, by registered or certified mail, return receipt requested addressed to the receiving party at the following address:

For RandH

Business Director, Agricultural Chemicals N.A.  
Rohm and Haas Company  
Independence Mall West  
Philadelphia, PA. 19105

For Vertac

C. P. Bomar, Jr., President  
Vertac Chemical Corporation  
24th Floor, Clark Tower  
5100 Poplar Avenue  
Memphis, Tennessee 38137

Either party may, by notice to the other, change its address for receiving such notice.

15. Termination

Vertac may terminate this Agreement

- a) in the event of breach of this Agreement by RandH by giving written notice to RandH of such termination provided that Vertac has first given RandH written notice of the breach and RandH has not corrected the breach within thirty (30) days of receipt of the notice of breach and further provided that if the breach occurs between January 1 and May 31 of any Contract Year Vertac may terminate this Agreement as provided under this Article 15(b) if RandH has not corrected the breach within ten (10) days of receipt of notice of the breach; or

- b) at any time after June 1, 1985 by written notice delivered to RandH at least six months in advance of the date of termination.

RandH may terminate this Agreement:

- a) in the event of the filing of a proceeding in bankruptcy by or against Vertac by giving Vertac sixty (60) days' written notice; provided, that if the filing occurs between January 1 and May 31 of any Contract Year, such notice of termination will not relieve RandH of its obligation to take the amount of Product contracted for in such Contract Year to the extent that Vertac is able to give RandH reasonable assurance of its ability to supply such Product in accordance with the terms of this Agreement, i.e., RandH shall not be required to provide credit, raw materials or similar assistance to enable Vertac to complete its supply commitment; or
- b) in the event of breach of this Agreement by Vertac by giving written notice to Vertac of such termination provided that RandH has first given Vertac written notice of the breach and Vertac has not corrected the breach within thirty (30) days of receipt of the notice of breach and further provided that if the breach occurs between January 1 and May 31 of any Contract Year RandH may terminate this Agreement as provided under this Article 12(b) if Vertac has not corrected the breach within thirty (30) days of receipt of notice of the breach

PROPANIL 4 HERBICIDE

Chemical Name: 3',4' Dichloropropionanilide  
Brand Name: Vertac Brand Propanil 4 Herbicide ( 4lbs. of 3',4' Dichloropropionanilide)  
EPA Reg. No.: 39511-8

PROPERTIES:

	<u>SPECIFICATIONS</u>	<u>TYPICAL ANALYSIS</u>	<u>TEST METHOD*</u>
Appearance	Dark Brown Liquid	Brown Liquid	Visual
Active Ingredient, % (w/w)	43.48 Min.	44.46	TC-P-072
Dichloroaniline, %	0.45 Max.	0.40	TC-P-003
Propionic Acid, %	0.45 Max.	0.40	RP-8
Propanil Isomers and Other Inerts, %	4.0 Max.	2.98	--
Emulsifier, %	11-12	11.25	--
Mesityl Oxide, %	38-42	40.51	--
Specific Gravity, @ 68°F	1.065-1.085	1.068	TC-G-006

\* Vertac Chemical Corporation, West Helena Plant Analytical Method

\*\*Method based on gas-liquid-chromatography.

Density in lbs/gallon @ 68°F	8.88-9.04	8.90	--
Lbs/gallon, A.I., @ 68°F	3.95-4.05	3.96	--
Performance:	Emulsification tested for spontaneity, cream quality, and redispersability		TC-P-001
Container:	5, 30 and 55 gallon drums		
Caution:	May cause skin irritation		

Prepared: Vertac Technical Center 8/80 SVK

6-13-91

ROHM & HAAS  
1990 DCA REQUIREMENTS  
6/10/91

CC: J Miles  
C Parker  
J Bumpers  
J Hanna

Date	DuPont Order No	Bill of Lading Wt	Analysis	100% Basis
3/8/91	BXPM 81145A01	44.720	99.25%	44.385
3/9/91	2	44.480	99.29%	44.164
3/11/91	3	43.820	99.18%	43.461
3/13/91	4	44.700	99.09%	44.293
3/15/91	5	43.160	99.33%	42.871
3/17/91	6	45.600	99.20%	45.235
3/19/91	7	44.460	99.09%	44.055
3/21/91	8	43.520	99.25%	43.194
3/23/91	9	44.120	99.10%	43.723
3/25/91	10	43.940	98.90%	43.457
3/27/91	11	42.620	99.10%	42.236
3/29/91	12	45.900	99.27%	45.565
3/31/91	13	44.680	99.44%	44.430
4/15/91	14	44.800	99.52%	44.585
4/17/91	15	43.580	99.51%	43.366
4/19/91	16	44.620	99.62%	44.450
4/21/90	17	44.480	99.57%	44.289
4/23/91	18	45.360	99.11%	44.956
4/25/91	19	44.940	99.03%	44.504
4/26/90	20	44.200	99.01%	43.762
5/2/91	21	44.160	99.04%	43.736
5/22/91	22	45.800	99.62%	45.626
5/23/91	23	43.360	99.62%	43.195

Totals	1.021.020	1.013.538
Amount required $317.662 \times 3.152 =$		1.001.271
Amount of DCA Due(Owed by) Cedar from(to) R & H		(12.267)
Cedar cost of DCA		1.72
Amount Due(Owed by) Cedar from(to) R & H 1991		(21.099.44)
Less amount Due(Owed by) Cedar from(to) R & H prior yrs		1.532.95
Net Due(Owed by) Cedar from(to) R & H 1991		(19.566.49)

INTER COMPANY MEMO  
CEDAR WEST HELENA

MARCH 13, 1991

To: John Bumpers

From: Neil Robbins

CC: John Miles  
Charlie Parker  
Randal Tomblin  
Johnny Hanna

Subject: 1990 Rohm & Haas DCA

On May 15, 1990 a recap of R&H's DCA was prepared and sent to Memphis for the final settlement with R&H. This initial recap had an error on the receipt dated 3/10/90. The report showed 44,860 when it should have been 43,860. The net result was a reduction in the amount we owed R&H by approx \$1,532.95.

A corrected recap was mailed on 6/20/90, but R&H apparently used the first one in their settlement.

The \$1,532.95 remains on our books as a receivable from R&H.

They either need to send us a check for this difference or reduce our liability in the current year run.

Please advise.



6-10-91

ROHM & HAAS  
1990 DCA REQUIREMENTS  
6/10/91

CC: J Miles  
C Parker  
J Bumpers  
J Hanna

Date	DuPont Order No	Bill of Lading Wt	Analysis	100% Basis
3/8/91	BXPM 81145A01	44.720	99.25%	44.385
3/9/91	2	44.480	99.26%	44.151
3/11/91	3	43.820	99.18%	43.461
3/13/91	4	44.700	99.09%	44.293
3/15/91	5	43.160	99.33%	42.871
3/17/91	6	45.600	99.20%	45.235
3/19/91	7	44.460	99.09%	44.055
3/21/91	8	43.520	99.25%	43.194
3/23/91	9	44.120	99.10%	43.723
3/25/91	10	43.940	98.90%	43.457
3/27/91	11	42.620	99.10%	42.236
3/29/91	12	45.900	99.27%	45.565
3/31/91	13	44.680	99.44%	44.430
4/15/91	14	44.800	99.52%	44.585
4/17/91	15	43.580	99.51%	43.366
4/19/91	16	44.620	99.62%	44.450
4/21/90	17	44.480	99.57%	44.289
4/23/91	18	45.360	99.11%	44.956
4/25/91	19	44.940	99.03%	44.504
4/26/90	20	44.200	99.01%	43.762
5/2/91	21	44.160	99.04%	43.736
5/22/91	22	45.800	99.62%	45.626
5/23/91	23	43.360	99.62%	43.195

Totals

1.021.020

1.013.525

1,013,538

Amount required  $317.662 \times 3.152 =$ 

1.001.271

Amount of DCA Due(Owed by) Cedar from(to) R &amp; H

(12.254)

Cedar cost of DCA

1.72

Amount Due(Owed by) Cedar from(to) R &amp; H

(21.076.48)

# RJH DCA 1991

	INITIALS	DATE
PREPARED BY		
APPROVED BY		

1 2 3 4 5 6

	DATE	DUPONT ORDER ID	Bill of Materials	Analysis	100% Basis Wt	Total 100% Wt		
1	3/8	RXPM 81145 A01	44720	99.25	44385	44385		1
2	3/9	02	44980	99.26	44164	88549		2
3	3/11	03	43820	99.18	43461	132010		3
4	3/13	04	44700	99.09	44293	176303		4
5	3/15	05	43160	99.23	42871	219174		5
6	3/17	06	43600	99.20	4335	264409		6
7	3/19	07	44660	99.09	44355	308464		7
8	3/21	08	43520	99.25	43194	251658		8
9	3/23	09	44120	99.10	43723	395581		9
10	3/25	010	43940	98.90	43457	438838		10
11	3/27	11	40620	99.10	40236	481074		11
12	3/29	12	45900	99.27	45565	526689		12
13	3/31	13	44680	99.44	44430	571169		13
14	4/1/5	14	44600	99.52	44380	615659		14
15	4/17	15	43580	99.51	43361	659020		15
16	4/19	16	44620	99.62	44450	703470		16
17	4/21	17	44480	99.57	44289	747759		17
18	4/23	18	45360	99.11	44956	792715		18
19	4/25	19	44940	99.03	44504	832219		19
20	4/26	20	44200	99.01	43760	880781		20
21	5/2	21	44160	99.04	43736	924717		21
22	5/22	22	45800	99.62	45626	970843		22
23	5/23	23	43360	99.62	43195	1013538		23
24								24
25								25
26								26
27	1991	Shipments	3176264045					27
28		DCA fraction	3152					28
29		USAGE	1001271					29
30		RETURNS	1013338					30
31		EXCESS RETURNS	12267405					31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40
41								41



INTERNAL CORRESPONDENCE

DATE: January 26, 1985

*Bill Shackelford -  
Please return with your  
comments /R*

TO: R. A. Guidi ✓  
W. C. Keese  
J. L. Hanna

FROM: C. P. Bomar, Jr.

CC: J. C. Bumpers  
A. T. Malone

SUBJECT: Rohm and Haas Contract  
Changes

Attached is a copy of the final revisions to the Rohm and Haas Propanil Agreements. The only thing remaining is to find out whether or not Rohm and Haas intends to exercise its option to supply DCA for 1985.

Please review this as it might impact your respective areas of responsibility. If you have any questions, please contact me and/or Allen Malone.

*C.P.B.*

CPB:ap

Attachment

CC: *John M.  
Charlie P.  
Michael J.  
David S.  
Greg. S.  
Joe P.*

12/2

## AGREEMENT

THIS IS AN AGREEMENT dated as of January 1, 1985 between ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH"), and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac").

### Background

A. RandH and Vertac are parties to a Sales Agreement dated December 7, 1981 (the "Sales Agreement") providing for the purchase and sale of certain quantities of propanil herbicide ("Product").

B. RandH and Vertac are also parties to a Settlement Agreement dated December 7, 1981 (the "Settlement Agreement") which settled RandH's claims against Vertac for alleged infringement of its patent covering the use of propanil as a rice herbicide, and Vertac's antitrust claims against RandH with respect thereto.

C. RandH has notified the U.S. Environmental Protection Agency ("EPA") that it intends to submit to the EPA in response to EPA's data call-in notice dated July 20, 1983 to registrants of pesticide products containing the active ingredient propanil (the "Data Call-In"), an oncogenicity study in mice carried out by Hazelton Laboratories, Inc. on behalf of RandH (the "Study and Data"), said Study and Data having been

obtained by RandH at a cost of approximately \$780,000.

D. Vertac desires to obtain the right to rely on the Study and Data in support of its continued registrations of propanil herbicide and accordingly has filed with the EPA an Irrevocable Offer to Pay RandH a portion of the cost of obtaining the Study and Data, which portion the parties agree is one third of RandH's cost; i.e. \$260,000.

E. RandH desires to amend the Sales Agreement in accordance with the terms of the Second Addendum attached hereto as Exhibit A (the "Addendum").

F. Vertac is willing to enter into said Addendum for the consideration stated therein and for the additional covenants and agreements of RandH stated in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and with the intent to be legally bound hereby, the parties agree as follows.

1. Amendment of Sales Agreement.

Immediately following the execution and delivery of this Agreement, Vertac and RandH shall each execute and deliver in duplicate the Addendum.

2. Payment to RandH Under Sales Agreement.

Upon receipt of a copy of the Addendum executed by RandH, Vertac shall deliver to RandH its check in the sum of \$310,032.00 which represents the amount owing to RandH under Article 6 of the Sales Agreement as a result of discounts and rebates allowed or paid with respect to RandH's original 1984 distributor price.

**3. Waiver of Payment Under Settlement Agreement.**

RandH waives its right to receive and forgives the payment of the final installment of \$100,000.00 on liquidated damages which otherwise would have been due and payable by Vertac on January 2, 1985 pursuant to the Settlement Agreement.

**4. Rights With Respect to the Study and Data.**

(a) RandH will permit Vertac to rely on the Study and Data for the purpose of (1) maintaining its registrations of propanil as a pesticide pursuant to the Federal Insecticide, Fungicide and Rodenticide Act, or otherwise or (2) re-registering propanil as a pesticide pursuant to said Act. As soon as practicable following execution of this Agreement, RandH will inform EPA that Vertac is entitled to rely on the Study and Data for the purposes specified in this Agreement.

(b) As soon as practicable following execution of this Agreement, RandH will supply Vertac with a copy of the Study and Data and will permit Vertac personnel to have reasonable access to the supporting documentation in its possession relating to the Study and Data.

(c) Except as permitted by this Agreement or as may be required by law, Vertac will hold the Study and Data confidential, and will not use or disclose it to any third party. Vertac will have no rights to sell, license or grant any rights to the Study and Data to others.

(d) While RandH believes in good faith that the Study and Data will satisfy the Data Call-In and that they support the position that, when used in accordance with label instructions, the Product will not have an unreasonable adverse effect on human health or the environment, RandH makes no representation or warranty regarding the completeness or accuracy of the Study and Data, or as to any action or recommendation that the EPA will make based on the Study or Data.

5. Successors and Assigns.

This Agreement is binding upon and inures to the benefit of the parties hereto and their successors and permitted assigns. No party hereto may assign this Agreement without the prior written consent of the other.

6. Entire Agreement.

This Agreement, including Exhibit A attached hereto and, as amended hereby, the Sales Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter.

7. Amendment.

This Agreement may not be amended, modified or supplemented in any manner, except by an instrument in writing signed on behalf of each of the parties hereto by a duly authorized officer or representative.

8. Governing Law.

This Agreement will be governed by and construed in accordance with the laws of Pennsylvania.

9. Headings.

The headings in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on this 25<sup>th</sup> day of January 1985.

ATTEST:

By: [Signature]

ROHM AND HAAS COMPANY

By: [Signature]

ATTEST:

By: [Signature]

VERTAC CHEMICAL CORPORATION

By: [Signature] ATW



SALES AGREEMENT - ADDENDUM NO. 2

THIS ADDENDUM dated as of January 1, 1985 amends the Sales Agreement dated December 7, 1981 (the "Sales Agreement") between ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH") and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac"), as heretofore amended by Addendum No. 1 dated March 29, 1982.

Background

A. The Court of Appeals for the Federal Circuit in Case No. 83-599, decided December 7, 1983, held that U.S. Patent No. 3,816,092, covering the use of propanil as a rice herbicide, was invalid.

B. As a result of the decision of the Court of Appeals, Vertac is no longer bound by the injunctive provisions of the Consent Decree and Injunction entered in Civil Action No. H-80-2552 in the United States District Court for the Southern District of Texas, Houston Division.

C. Recognizing that Vertac is no longer prohibited from competing with RandH for U.S. sales of propanil herbicide, RandH and Vertac desire to amend the Sales Agreement so as to revise the method of establishing prices payable for Product (as

defined in the Sales Agreement) sold to RandH thereunder, and particularly, to permit RandH to protect its current pricing information against disclosure to Vertac during periods when such information might be considered by RandH to be in the nature of trade secrets.

NOW THEREFORE, in consideration of the mutual covenants contained herein and with the intent to be legally bound hereby, the parties agree as follows.

1. Article 3 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

3. Price

- a) Initial Price. For all Product delivered by Vertac in a given Contract Year, RandH shall pay Vertac an initial price per gallon f.o.b. Vertac's West Helena, Arkansas plant equal to <sup>80</sup>~~85~~ of RandH's Final Average Weighted Distributor Price (as hereinafter defined) for the preceding Contract Year, less the cost, determined as set forth in Article 7, of the DCA supplied by or on behalf of RandH. The Final Average Weighted Distributor Price for any Contract Year shall be equal to the total invoiced price for all Product shipped by RandH to its U.S. Distributors during a Contract Year less (1) any discounts from the invoiced price granted by RandH in respect of sales of Product, and (2) the amount of any

1987  
CHANGE

year-end rebates paid or granted by RandH in respect of sales of Product, divided by the total number of gallons shipped during such Contract Year. If RandH has issued a credit against the invoiced price of any Product pursuant to any inventory protection plan, such Product, if carried over for rebilling by RandH in a subsequent Contract Year, shall not be deemed as having been shipped during the current Contract Year. The initial price for Product shall be adjusted as provided in Paragraph b) below.

b) Price Adjustments.

(1) If the Final Average Weighted Distributor Price for the current Contract Year exceeds the Final Average Weighted Distributor Price for the preceding Contract Year, RandH shall pay Vertac an additional sum equal to 85% of the difference between such prices, multiplied by the total number of gallons of Product delivered by Vertac. Such payment shall be made within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price, in accordance with Article 7(a) hereof.

(2) If the Final Average Weighted Distributor Price for the current Contract Year is less than the Final Average Weighted Distributor Price for the preceding Contract Year, Vertac shall refund to RandH 85% of the difference between such prices multiplied by the total number of gallons of Product delivered by Vertac; provided, however, Vertac shall not be required to make any payment to RandH to the extent that any such payment would cause Vertac's revenues from sales of Product to RandH to be less than the sum of (a) 112.5% of Vertac's Direct Manufacturing Costs (as hereinafter defined), and (b) 12.5% of the cost of any DCA supplied by RandH pursuant to Article 7 hereof, valued at the price per pound stated in the notice from Vertac to RandH as provided in Article 7. Direct Manufacturing Costs shall mean (a) the raw material and plant operating costs incurred by Vertac to manufacture Product for RandH, (b) a prorata share of depreciation expense for the equipment and facilities used to manufacture such Product in accordance with Vertac's normal depreciation schedule, and (c) a prorata share of administrative costs associated with the operation of the Plant

used to produce the Product. Any payment due from Vertac under this paragraph shall be due within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price.

2. Article 6 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

6. Terms of Payment.

Vertac shall invoice RandH for all Product delivered hereunder effective on the date of each such delivery at the price determined in accordance with Article 3(a) of the Sales Agreement, and RandH shall pay such invoices within 30 days of the dates thereof.

3. Article 7 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

7. Price and Quantity Notification/Option to Suspend.

- a) Not earlier than October 1 nor later than November 1 of each Contract Year except 1991, RandH shall notify Vertac in writing of its Final Average Weighted Distributor Price for Product sold during such Contract Year. Concurrently with such notification, RandH shall notify Vertac of the quantity of Product, expressed in gallons, to be purchased

by it in the next succeeding Contract Year as determined pursuant to Article 2. Within 30 days following receipt of such purchase order, Vertac shall notify RandH of the quantity of DCA needed to produce the quantity of Product to be purchased by RandH and the bona fide contract price per pound (F.O.B. Vertac's Plant) (the "DCA Price") at which it would be able to purchase such quantity of DCA. Vertac's notice shall also include the specifications for such DCA (the "DCA Specifications"). Within 15 days after receipt of such notice, RandH shall notify Vertac whether it elects to supply Vertac with DCA of the quality and in the quantity stated in Vertac's notice. If RandH makes such election, the invoiced price per gallon of Product hereunder shall be reduced by an amount equal to Vertac's DCA Price multiplied by 3.152, which represents the number of pounds of DCA (100% A.I.) needed to produce one gallon of Product. If RandH makes such election, as aforesaid, it shall arrange for its supplier to deliver, upon notice by Vertac, such quantities of DCA as Vertac shall require to produce Product for RandH in accordance with this Agreement; provided that

if Vertac should order and receive quantities of DCA in excess of such amount, Vertac shall pay RandH for such excess quantities of DCA at the then applicable DCA Price. Payment for any such excess DCA shall be due and payable by Vertac within thirty (30) days of delivery of such excess quantity of DCA to Vertac.

Quantities of DCA supplied by RandH hereunder shall be determined with reference to the certified scale weights of RandH's supplier unless same should prove to be in error, as shown by clear and convincing evidence supplied by Vertac.

- (b) The foregoing notwithstanding, for the 1985 Contract Year only, immediately following the full execution and delivery of this Addendum, Vertac shall deliver to RandH its DCA Price and DCA Specifications applicable in the 1985 Contract Year. Within five (5) days after receipt of such notice, RandH shall notify Vertac whether it elects to supply Vertac the 1,222,976 pounds of DCA (100% A.I.) (meeting the DCA Specifications) required for Vertac to produce Product for RandH during the 1985 Contract Year. If RandH so elects, Vertac shall have five (5) days after its receipt of notice of such election to reduce the quantity

379,000  
9,000  
388,000 gal. from

388,000 gal x 3.152 #/gal (A.I. spec)  
= 1,222,976 # DCA required  
to produce 388,000 gal. from

of DCA that would otherwise be supplied by RandH hereunder to a lesser amount, but in no event less than 315,200 pounds (100% A.I.); provided that, if Vertac makes such election, it shall pay to RandH the sum of \$.0818 per pound times the number of pounds by which Vertac elects to reduce the quantity that would otherwise have been supplied by RandH, as aforesaid. Said sum shall be due and payable by Vertac simultaneous with said election by Vertac. Except as modified by this subparagraph (b), the provisions of Article 7(a) shall also be applicable in the 1985 Contract Year.

- c) RandH shall have the right, in accordance with the audit procedures set out in Article 13(b) of the Sales Agreement, to verify Vertac's ability to purchase DCA at the cost stated in the notice delivered to RandH pursuant to this Article 7.

4. Addendum No. 1 to the Sales Agreement is hereby deleted in its entirety.

5. Exhibit A to the Sales Agreement (propanil specification) is deleted and the attached Exhibit No. 1 shall be substituted therefor.

6. The quantity of Product which RandH shall purchase from Vertac in the 1985 Contract Year shall be 379,000 gallons,



determined in accordance with Article 2 of the Sales Agreement, plus 9,000 gallons, being the difference between the reduction in the quantity of Product sold to RandH in the 1983 Contract Year pursuant to the provisions of Addendum No. 1 and the quantity of Product actually sold by Vertac in California in said year.

6. Except as amended hereby, the provisions of the Sales Agreement shall continue in full force and effect during the remaining term thereof.

IN WITNESS WHEREOF, the parties have executed this Addendum No. 2 this 25<sup>th</sup> day of January, 1985.

ATTEST:

By: 

Secretary

ROHM AND HAAS COMPANY

By: 

Vice President

ATTEST:

By: 

Sales Agent 3

By: 

VERTAC CHEMICAL CORPORATION

Atty

**EXHIBIT A**

SPEC DATE: July 27, 1984 INTERIM ☐

SUPERSEDES SPEC DATE: October 28, 1982 FINAL ☒ 6

GENERAL:

ISSUED BY: P. Di Romualdo

RE-EXAM PERIOD	DISTRIBUTION
6 months	FILE
DATE REPORTED	CHECKED BY: <u>G</u>

NOTES/COMMENTS:

- Determine active ingredient on last drum whenever the specific gravity results on the first and last drum samples differ by more than 0.002.
- Every 10th batch plus those not meeting the solvent ratio specification.
- Send a 4 oz sample to Dept. 7333, Spring House.
- Also on abnormal batches.
- Product shall be free of contaminants that would materially impair its utility as a herbicide in rice. *A-101*

Stam M-4 HF

CODE:

**6 2684**

RE-EXAM DATE

QUALITY CODE

TEST DESCRIPTION/ TEST METHOD 222	SPECIFICATION	TEST SCHED.	FQ	T	EDP ACCESS CODE	TEST RESULT	AI	II
Active Ingredient lb/gal @ 25°C	3.95 - 4.2	E		10	0083			
Appearance	Dark liquid, subst. free from solids	E		30	0630	OK( ) OK( ) NG( ) NG( )		
Emulsion Performance	-----							
Self Emulsification	Fair to Good	E		10	0801	OK( ) NG( )		
Sep. after 1 hour 100 ppm hard water	2% total bottom separation, max	E		10	0796			
Sep. after 1 hour navy hard water	2% total bottom separation, max	E		10	0802			
Flash Point (Setaflash), °F	103 - 120	10 (2)		10	0931			
Specific Gravity @ 25°/15.6°C	Report Value (Exp. 1.085 - 1.095)	E (1)		30	5840			
Water Content, %	0.3, maximum	E		10	2390			
Active Ingredient, %	43.5 - 45.5	E		10	0080			
Solvent Content, % (Mesityl Oxide & Isophorone)	35.8, minimum	E		10	1872			
Solvent Ratio	0.85 - 1.15	E		10	2214			
Phytotoxicity Index on Rice	Difference from Standard - +1.5, maximum	20 (3)(4)		10	0311	OK( ) NG( )		
Phytotoxicity Index on Weeds	Difference from Standard - -1.5, maximum	20		10	0313	OK( ) NG( )		

PH AND BAAS KNOXVILLE  
RMCHART.45

EXHIBIT 1

**VERTAC'S DCA SPECIFICATIONS**

VERTAC CHEMICAL CORPORATION

Material Specification Sheet

3,4-Dichloroaniline 93 Technical  
(For use in Producing Propanil)

SPECIFICATION

(253-D-4)  
Technical

Water content, %, max	0.1
3,4-Dichloroaniline, %, min	93.0
Morpholine and its salts, %, max	0.75
Morpholine, %, min	0.25
Aniline and monochloroanilines, %, max	-
Isomeric dichloroanilines, %, max	-
Nitro compounds as 3,4-dichloronitrobenzene %, max	-
Hydrazo tars, %, max	-

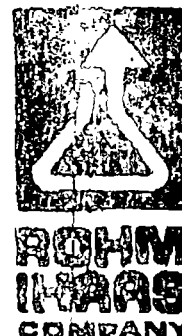
VERTAC CHEMICAL CORPORATION

Material Specification Sheet

3,4-Dichloroaniline Technical  
(For use in Producing Propanil)

SPECIFICATION	(259-D-3) Technical
Water content, %, max.	0.1
3,4-Dichloroaniline, %, min.	98.0
Morpholine and its salts, %, max.	0.5
Morpholine, %, min.	0.2
Aniline and monochloroanilines, %, max.	0.4
Isomeric dichloroanilines, %, max.	1.3
Nitro compounds as 3,4-dichloronitro- benzene, %, max.	0.1
Hydrazo tars, %, max.	0.4

DEFENDANCE MALL WEST PHILADELPHIA PA 19103 U.S.A. TELEPHONE (215) 592-3000  
CABLE ADDRESS: RQHM-HAAS TELELEX 645-247 TWX 710-670-5335 TELESCRIER (215) 592-3377



January 16, 1992

Mr. J. C. Bumpers  
Vice President - Finance/Admin.  
Cedar Chemical Corporation  
24th Floor  
5100 Poplar Avenue  
Memphis, TN 38137

Dear Mr. Bumpers:

The Final Average Weighted Distributor selling price for STAM in 1991 was \$15.82/gallon.

The amount owed Cedar Chemical for the 1991 season, derived from subtracting the initial price paid to Cedar Chemical from the final price, is summarized on Schedule I.

According to our most recent contract revision, if the Final Price determined in Paragraph 3(a) is greater than the initial price as set forth in Paragraph 3(b), then price adjustments shall bear interest.

Interest due Cedar Chemical is calculated from the date of payment of each invoice for product at the initial price to the date of payment for any adjustments. The rate of interest is 9.0%, the prime rate as quoted in the Wall Street Journal as of May 1, 1991.

Rohm and Haas, via DuPont, supplied excess DCA to Cedar for the 1991 campaign. The amount of DCA supplied on a 100% basis was 1,013,538 lbs. The amount consumed to produce 317,696 gallons propanil X 3.152 lbs./gal. equals 1,001,378 lbs. DCA. The difference of 12,160 lbs. multiplied by \$1.72/lb. (100% basis) results in a payment due Rohm and Haas Company of \$20,915.20.

The net amount owed Cedar Chemical for the 1991 season is \$713,863.04 in price adjustments, plus interest of \$46,086.42, less \$20,915.20 for a total of \$739,034.26.

This amount will be paid by January 20, 1991.

= 692,947.84

Mr. J. C. Bumpers  
Cedar Chemical Corporation

January 16, 1992  
Page Two

This is the final transaction related to our original Sales Agreement entered into December 7, 1981 for the term January 1, 1982 through June 11, 1991.

If you have any questions, please contact me.

Sincerely,



M. J. Carr  
Financial Manager  
Agricultural Chemicals

MJC:val  
0006j



\*\*\* END OF DOCUMENT \*\*\*

# **CALCULATION OF AMOUNT OWED AND INTEREST DUE CEDAR CHEMICAL CO**

SCHEDULE 1

CHECK NUMBER	DATE PAID	GALLONS	AMT OWED CEDAR	DAYS TO JAN 20 1992	INTEREST DUE CEDAR @ 9%	DAY OF YR
41789	3/18/91	39375	\$88,475.63	308	\$6,719.30	77
41849	3/20/91	13125	\$29,491.88	306	\$2,225.22	79
41931	3/25/91	13125	\$29,491.88	301	\$2,188.86	84
41971	3/28/91	13125	\$29,491.88	300	\$2,151.59	85
42074	4/01/91	21875	\$49,153.13	294	\$3,563.26	91
42356	4/16/91	39375	\$88,475.63	280	\$6,108.45	105
42464	4/18/91	4375	\$9,830.63	277	\$671.45	108
42509	4/22/91	13125	\$29,491.88	273	\$1,985.25	112
42745	5/02/91	4375	\$9,830.63	263	\$637.51	122
42843	5/07/91	8760	\$19,661.25	258	\$1,260.78	127
42868	5/08/91	8760	\$19,661.25	257	\$1,245.93	128
43245	5/28/91	44332	\$99,814.00	237	\$6,821.28	148
43320	5/30/91	19988	\$44,935.51	235	\$2,803.80	150
43391	6/04/91	9980	\$22,380.12	230	\$1,289.23	155
43425	6/05/91	4884	\$11,199.05	229	\$632.86	156
43557	6/12/91	5017	\$11,273.20	222	\$617.09	163
43595	6/13/91	9969	\$22,400.34	221	\$1,220.87	164
43650	6/17/91	4594	\$10,322.72	217	\$552.84	168
43794	6/24/91	38467	\$88,682.48	210	\$4,592.05	175
44000	7/02/91	4923	\$11,061.98	202	\$550.98	183
<b>TOTALS</b>		<b>178894</b>	<b>\$713,869.54</b>		<b>\$46,086.42</b>	

INITIAL PRICE = \$14.00/GALLON X 80% = \$11.200/GALLON  
 LESS: COST OF DCA SUPPLIED - \$5.421/GALLON  
 NET TOTAL = \$5.779

FINAL PRICE = \$15.82/GALLON \* 85% = \$13.447/GALLON  
 LESS: COST OF DCA SUPPLIED - \$5.421/GALLON  
 NET TOTAL = \$8.026

AMOUNT OWED = \$8.026/GAL - \$5.779/GAL = \$2.247/GALLON

INTEREST RATE = PRIME RATE QUOTED = 9 %  
 IN WSJ ON 6/1/91

INTEREST OWED = 9% \* AMOUNT DUE \* (DAYS TO 1/20/92) / 365

INDEPENDENCE MALL WEST PHILADELPHIA, PA 19106, U.S.A. TELEPHONE (215) 592-3000  
CABLE ADDRESS: ROHMHAAS TELEEX 842 247 TWX 710-870-5333 TELECOPIER (215) 592-3377

1/16/92  
J. R. Tonslin  
J. Hawan  
J. W. Bickert  
M. Roscoe  
L. C. Koenig

**FACSIMILE TRANSMISSION SHEET**

DATE:

1-16-92

TO:

J. C. Gumpert N. Robbins  
Cedar Chemical

TELEPHONE NO.

FAX NO.

901-684-5398

FROM:

Mike Carr

DEPT:

AGRICULTURAL CHEMICALS, NA

TELEPHONE NO.

215-592-3228

NUMBER OF PAGES (INCLUDING COVER SHEET)

4

MESSAGE:

AG. CHEMICALS FAX NO. 215-592-2797

**ROHM AND HAAS TENNESSEE INCORPORATED**
**P. O. BOX 591**
**KNOXVILLE, TENNESSEE 37901**

**ROHM AND HAAS REFERENCE NUMBER**
**PURCHASE ORDER NO.**
**04 44378**
**SUPPLEMENT  
NO.**
**02**
**A/R OR JOB NO.**
**EFC**
**ORDER DATE**
**2/19/91**
**EXPEDITOR**
**BUYER**
**EBM**
**PRICE SOURCE**
**OTHER**
**PCC**
**005**
**ACCOUNTING CODE**
**REQUISITION NUMBER**
**RG 44378**
**DEPARTMENT ACCOUNT**
**7700**
**PAGE**
**01**
**REQUIRED DELY**
**PROMISED SHIP.**
**VENDOR NUMBER**
**TRANSMITTAL NUMBER**
**TAX INFORMATION**
**BUILDING/AREA**
**FOB**
**SEE BELOW**
**FREIGHT TERMS**
**INVOICE TERMS**
**NET 30 DAYS**
**SHIP VIA**
**MOTOR FREIGHT**
**UNIT/ITEM**
**VENDOR**

**CEDAR CHEMICAL CORPORATION  
24TH FLOOR - 5100 POPLAR AVENUE  
MEMPHIS, TN 38137  
ATTN: W. C. KEESE**

**SHIP TO**

**ROHM AND HAAS TENNESSEE INCORPORATED  
P. O. BOX 591  
730 DALE AVENUE  
KNOXVILLE, TENNESSEE 37901**

**IMPORTANT INSTRUCTIONS**

RETURN THIS ACKNOWLEDGMENT, PROPERLY EXECUTED, AT ONCE, TO THE BUYER AT THE ADDRESS INDICATED IN THE UPPER LEFT CORNER OF THE FORM.

**LINE  
ITEM**
**CODE**
**QUANTITY**
**UM**
**MATERIAL OR SERVICE REQUESTED**
**\$ PRICE**
**MATERIAL WILL BE SHIPPED:**
**ON (Date)**
**By (Carrier)**
**REMARKS: (Explain fully any exceptions)**
**VENDOR REFERENCE NO.:**

**VENDOR AUTHORIZED SIGNATURE AND DATE  
(BY SIGNING THIS ACKNOWLEDGMENT, SELLER  
AGREES TO ACCEPT THE CONDITIONS ON RE-  
VERSE SIDE OF THIS ORDER.)**

**TO: ACCOUNTS PAYABLE  
CHANGES APPROVED**

**BUYER**
**DATE**

**THIS SUPPLEMENT IS ISSUED TO CHANGE THE  
DISTRIBUTION OF PACKAGED STREL 4E TO  
AS FOLLOWS:**

- 1. 25% OF PRODUCTION (317,870 GL) TO BE  
PRODUCED AND SHIPPED EACH MONTH  
FEBRUARY THRU MAY 1991.**
- 2. ONLY 25,200 GALLONS SHOULD BE SHIPPED  
TO CASCIO STORAGE IN GREENVILLE, MS EACH  
MONTH.**
- 3. THE REMAINING 54,250 GALLONS EACH  
MONTH IS TO BE SHIPPED TO:  
W. M. BARR & COMPANY  
2170 BUOY AVENUE  
MEMPHIS, TN 38113  
ATTN: JOHN BOGAN**

**ALL OTHER TERMS AND CONDITIONS  
REMAIN UNCHANGED**

FORM 2458 REV. 4/82

**ACKNOWLEDGEMENT (2)**
**BY E. B. MAUPIN, C. P. M.**
**2. 19. 91**

## GENERAL CONDITIONS

### GENERAL CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS INCLUDING ORDERS FOR RAW MATERIALS

1. **Acceptance**  
This order expressly limits acceptance to terms stated herein unless otherwise stated on the face of this order. Any additional or different terms proposed by Seller are objected to in advance and hereby rejected and Buyer's acceptance of Seller's goods and services shall not be deemed an acceptance of Seller's terms.
2. **Assignment**  
This purchase order shall not be assignable by either party without the prior written consent of the other, and Buyer shall be under no obligation whatsoever to recognize any such assignment, without its prior consent, and shall be at liberty, regardless, to pay the proceeds of this purchase order to the Seller.
3. **Modification**  
This order contains the entire agreement between Buyer and Seller and may be modified or rescinded only by a written change order (supplement) issued by Buyer and accepted by Seller pursuant to the terms stated herein.
4. **Quality and Warranty**  
(a) General - All material and equipment purchased hereunder is subject to inspection and approval by Buyer. Buyer reserves the right to make final acceptance at his plant or at the designated shipping point. Any material or equipment found defective will be returned and replaced at Seller's expense.  
(b) Raw Materials and Supplies - Seller warrants that materials will comply with his published specifications. Seller agrees to notify Buyer of any changes in process or quality control. Any material found defective will be returned at Seller's expense in both directions. If Seller is not the manufacturer of the material, he will specify the manufacturer and will notify Buyer of any change in the source of material. If Seller has agreed to furnish material complying with Buyer's specifications, they shall take precedence over Seller's specifications.  
(c) Equipment and Mechanical Goods - Seller warrants that the goods purchased hereunder are suitable for the particular purpose stated in this order. Buyer affirms that he has relied on Seller's skill and judgment to select or furnish the goods for a particular purpose. Seller further warrants that the goods are new, of first quality and will be free of defects in workmanship and materials for a period of twelve months from the date of initial operation or eighteen months after delivery to jobsite of the entire order, whichever date shall first occur.
5. **Termination and Delays**  
(a) Buyer may terminate this order at any time.  
(b) Buyer reserves the right to cancel this order or any portion of same and to charge Seller for any loss entailed if delivery is not made when and as specified, time being the essence of this order.  
(c) Neither party shall be liable for delays caused by bona fide labor disputes, war, acts of government, accidents, fire, flood or other cause reasonably beyond control, but shall use all reasonable efforts to minimize the extent of the delay. Buyer reserves the right to terminate this order without further liability if delays due to the above, in its judgment, result in unreasonable hardship.  
(d) If Seller should be adjudged a bankrupt, or should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if the proceeds of this contract be made the subject of attachment, levy or other legal process, foreign or domestic, or if he should fail to make prompt payment to subcontractors or for materials or labor, or disregard laws, ordinances, or other governmental regulations, or if he should refuse or fail to supply enough skilled workmen or proper materials to produce the work, or if he unreasonably or willfully delays the work, or violates any provisions of the contract including rules and regulations incorporated into this contract by reference, Buyer, by written notice may terminate Seller's services, take possession of the work and finish the work in any manner suitable to Buyer. If the cost of finishing the work exceeds the unpaid balance of the contract price, Seller shall pay Buyer the difference.
6. **Payment**  
Invoices will be paid only if acceptable goods have been received.  
(a) **Caution** - Prompt payment of invoices depends upon Seller carefully complying with the procedures established hereunder. Failure to comply with any provisions of this order constitutes a breach of contract, which, in addition to making Seller liable for all damages caused by the breach of contract, may result in Buyer cancelling the order in whole or in part. Buyer will be responsible only for materials and/or services provided by Seller on a properly executed purchase order.  
(b) **Discounts** - Discount shall be calculated from date invoice is received in proper form or from date material is received, whichever is later.  
(c) **Freight** - Freight must be prepaid on all material sold on a delivered or freight allowed basis.  
(d) **Taxes** - Seller agrees to pay any taxes imposed by law upon, or on account of the materials and/or services purchased hereunder, unless otherwise agreed.
7. **Patents**  
Seller warrants that the services, material or any other item purchased hereunder by Buyer do not infringe any patent or other property right, and agrees to bear the expense of defending any suit brought against Buyer charging that the services, material or other item purchased infringes any patent or other property right, and to pay any profits or damages that may be awarded in any such suit.
8. **Non-Disclosure**  
Seller shall not reveal to any third person that Buyer has purchased or contracted to purchase or receive the material or services ordered, or advertise that he is a Supplier to Buyer.
9. **Blue Prints, Drawings, Photographs, Etc.**  
Documents showing equipment ordered by Buyer shall be treated confidentially and shall not be disclosed to any third person or used for advertising purposes. Final Vendor's Prints shall become property of Buyer, in the event that this equipment is duplicated at a later date such drawings may be used as bid drawings either as originally drawn or as modified by Buyer.
10. **Compliance With Regulations**  
Seller warrants that all goods and services purchased hereunder shall conform with all applicable city, state, and federal laws, ordinances and regulations, and shall indemnify, defend and save Buyer harmless from loss, cost or damage by reason of any actual violation thereof.
11. **Overtime on Contracts for Equipment, Mechanical Goods and all Services**  
If, through no fault of the Seller, Buyer requests work in excess of Seller's normal work week, Seller will pay the straight time portion of wages and Buyer the premium time portion plus applicable taxes. No profit or overhead may be added to premium payments. Insurance may be added only in states where insurance premiums are payable on overtime. Overtime required to meet promised delivery dates will be paid by Seller.
12. **Seller warrants that in supplying materials and services hereunder, Seller has complied with paragraphs (1) through (3) of Section 202 with Section 203 of the President's Executive Order # 11246 of September 24, 1965 with respect to Equal Employment Opportunity with the provisions of 41 CFR 11310-21(a) (if this order is in excess of \$10,000) or of 41 CFR 11310-21(b) (if this order is in excess of \$500,000) with respect to Utilization of Minority Business Enterprises, with the applicable provisions of 41 CFR 60.741 (if this order is in excess of \$2,500) with respect to Employment of the Handicapped, with the applicable provisions of 41 CFR 60.250 (if this order is for \$10,000 or more) with respect to Affirmative Action obligations for Disabled Veterans and Vietnam era veterans.**
13. **Certification of Non-Segregated Facilities**  
By accepting this order, the seller certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. Seller agrees that a breach of this certification is a violation of the equal opportunity clause in this purchase order.  
As used in this certification, the term "segregated facilities" means any waiting room, work area, restroom, or washroom, restaurant and other eating area, time clock, locker room or other storage or dressing area, parking lot, drinking fountain, recreation or entertainment area, transportation and housing facility provided for employees which are segregated by explicit directive or in fact segregated on the basis of race, religion, color or national origin, because of habit, local custom or otherwise.  
Seller further agrees that he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause, that he will retain such certification in his files; and that he will forward the following notice to his proposed subcontractors (except when the proposed subcontractors have submitted identical certification for specific time periods).

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NON-SEGREGATED FACILITIES**  
A certification of non-segregated facilities, as required by 41 CFR 60.1-8, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the equal opportunity clause. The certification may be submitted either for each sub contract or for all subcontracts during a period (i.e. quarterly, semi-annually, or annually).

If this order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under executive order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100 (EO-1) within 30 days after the award of this contract if seller has not previously filed compliance reports.

REV. 3/82

### ADDITIONAL GENERAL CONDITIONS APPLICABLE TO FIELD LABOR CONTRACTS

1. **IF THIS IS A CONTRACT FOR WORK TO BE DONE ON THE PREMISES OF ROHM AND HAAS COMPANY, ITS SUBSIDIARIES OR AFFILIATES, THE FOLLOWING SECTIONS APPLY IN ADDITION TO OTHER APPLICABLE SECTIONS IN THESE GENERAL CONDITIONS. THE WORDS CONTRACTOR AND SELLER ARE USED INTERCHANGEABLY.**
2. **Liability and Insurance**  
Contractor will comply with all applicable statutes with respect to Workmen's Compensation, Employer's Liability, Unemployment Compensation and/or Old Age Benefits, and all other applicable laws relating to or affecting the employment of labor. Contractor will indemnify, save harmless and defend Buyer from any and all claims and liabilities for injuries (including death) and also for any and all claims and liabilities arising out of loss or damage to property, caused by or resulting from the performance of the work covered hereby.  
Contractor will maintain at his expense complete Workmen's Compensation, Employer's Liability, and Public Liability Insurance against injuries to persons (including death) and loss or damages to property, all such insurance to be carried with companies acceptable to Buyer and all such Public Liability Insurance to have limits satisfactory to Buyer. Contractor shall, upon request by Buyer, file with Buyer Certificates of Insurance evidencing such insurance signed by authorized representatives of the insurance companies and stating that, in the event of any material change in or cancellation of the coverage, at least ten (10) days prior written notice will be given to Buyer.
3. **Site and Local Conditions**  
The work will be done under the coordination, scheduling and inspection of Buyer. Contractor agrees to examine the site in order to acquaint himself with local conditions including regulations governing admission to the site, safety and plant security. Contractor shall be negligent at the site as of the date of this contract and no allowances will be made after contract award for any error or neglect in the connection.  
Buyer reserves the right to let other contractors adjacent to this work. This contractor shall afford such other contractors reasonable opportunity for the introduction and storage of their materials and for the execution of their work and shall properly coordinate with their activities as directed by Buyer.  
If Contractor's work joints that of others, Contractor shall notify Buyer immediately in writing of any conditions which may affect completion of the work or the cost thereof. Absence of such notification shall constitute a waiver of the effect of such conditions. The contractor assumes responsibility for the cooperation of his employees and those of his subcontractors with those employed on adjacent work.
4. **Measurements**  
Contractor shall provide reasonable facilities to enable Buyer to set points and make measurements. A base line and bench mark will be supplied by Buyer. Contractor will make all layouts.  
Contractor shall verify and be responsible for the correctness of all measurements. Differences must be submitted to Buyer before proceeding with the work. No claim because of difference in actual and indicated dimensions will be allowed.
5. **Supervision and Employment**  
Contractor shall keep on the work a competent superintendent or foreman who shall be his authorized representative for all purposes under this contract and shall not be changed for the duration of the work, except with Buyer's approval.  
While on Buyer's premises, the Contractor's employees shall confine themselves to areas designated by Buyer.
6. **Permits, Licenses and Easements**  
Contractor shall give all notices and secure and pay for required permits, licenses and easements.
7. **Safety and Plant Rules**  
Contractor shall conform to the best safe standards for construction of this type, and shall comply with specific regulations of all public authorities as well as those of Buyer relating to safety, admission to the plant or site, and plant security. Contractor shall perform his work in accordance with the Occupational Safety and Health Act "Safety and Health Regulations for Construction" and any revisions to these regulations. Contractor shall also be liable for any cost incurred due to failure to comply to these regulations. Any equipment or material furnished on this purchase order shall comply with the provisions of the Occupational Safety and Health Act.
8. **Workmanship, Materials and Employees**  
The work shall be executed in the best and most workmanlike manner by qualified and efficient workers in strict conformity with the best standard practice. The site shall be kept free of waste and on completion, left "broom clean". In case of dispute, Buyer may remove waste at Contractor's expense.  
If requested, Contractor shall furnish satisfactory evidence as to the kind and quality of materials to be used.  
Subject to the limitations expressed in this contract, the Contractor shall have exclusive control of the manner and method of performing the work, and shall be responsible for persons engaged on the work, none of whom shall constitute employees of Buyer. Contractor assumes responsibility for loss of or damage to materials, tools, equipment or other property to be or being installed by the Contractor, whether furnished by Buyer or others.
9. **Correction**  
Contractor shall remove materials not meeting specifications whether incorporated in the work or not, and reexecute his work at his cost to Buyer, and shall pay for making good other work damaged by such replacement.  
If Contractor does not remove condemned work promptly, Buyer may do so and store materials at Contractor's expense. If Contractor does not pay the removal expense in 10 days, Buyer may, on 10 days written notice, sell the materials and account to Contractor for the proceeds, after deducting all expenses, which must be borne by Contractor.  
Neither acceptance of nor payment for work shall relieve Contractor of responsibility for faulty materials or workmanship. He shall remedy defects appearing within one year from the date of final payment and pay for the resulting damage to other work. Buyer shall give prompt notice of observed defects.
10. **Changes and Additions to Work**  
Buyer may make changes in or authorize additional work by written order. In all cases affecting the character or amount of the work to the extent of requiring an adjustment of the Contractor's compensation, such adjustment shall be agreed upon prior to performance of the change or addition. All extra work must be approved in writing by Buyer before said work is begun.
11. **Subcontracts**  
Contractor shall not subcontract work without prior written consent of Buyer. Rejection by Buyer of any proposed subcontractor shall not obligate Buyer for additional cost. If required the Contractor will furnish Buyer a copy of any subcontracts.
12. **Terms of Payment**  
Interim payments will be made only if expressly provided for and will be made only on the basis of billings for materials installed and for work actually completed and approved by Buyer, less 10% contingency reserve, and subject to an absolute limit of 90% of the total contract price until final acceptance of the work. Balance will be paid after completion and final acceptance by Buyer. Buyer reserves the right to withhold payment of any approved bill, or part thereof, if, according to Buyer's estimates the rate of payment exceeds total contract price would exceed the ratio of work actually performed to total work called for under the contract, making due allowance for the 10% contingency reserve. The 10% contingency reserve does not apply to field change order invoices.
13. **Cost Accounting**  
Contractor shall furnish in a form acceptable to Buyer, a breakdown of the contract price for cost accounting purposes within 30 days from the date of award of contract.
14. **Trade Analysis Information**  
If required by Buyer, after purchase, the Contractor shall furnish Buyer a breakdown by manufacturers and dollar value of major materials entering into this contract.
15. **Release Of Liens**  
If the work is done in Pennsylvania, Contractor shall furnish a waiver of liens in proper form for recording in the public office for recording liens, etc. in the county in which the work is to be performed before any of the work is begun. For work done in any state, Buyer shall have the right to require Contractor to furnish a complete release of liens before final payment is made. If any lien is filed or remains unsatisfied, Contractor shall indemnify Buyer for all sums expended and costs incurred in discharging such lien.
16. **Title**  
If materials and/or equipment are to be furnished by Contractor hereunder title shall pass to Buyer upon installation in the work.
17. **Raw Materials Only**  
Seller warrants that (a) unless excluded by definition from the United States Toxic Substances Control Act (the "Act") all material shipped hereunder is included in the inventory list promulgated under the Act, or is exempt from Par. 5 of the Act, and complies in all other respects with applicable requirements and regulations thereunder; and (b) shipments hereunder will comply in all respects with applicable requirements of the Hazardous Materials Transportation Act and regulations thereunder. Seller agrees to hold Buyer harmless from all damages and liability (including attorney fees) resulting from any breach of these warranties.

J. Miles  
B. Burke  
R. Johns  
B. Pence  
B. Scottfield  
R. Tancher  
N. Kelbis

January 17, 1991

R. Broadbent  
L. Brookhouser  
M. Carr  
J. Chadwell  
H. Davis  
J. Lang  
E. Maupin  
R. Peebles  
T. Pilla  
J. Salzer  
D. Sutton  
Chrono 91-10

Mr. G. L. Pratt  
Cedar Chemical Corporation  
5100 Poplar Avenue  
24th Floor  
Memphis, TN 38137

Dear Mr. Pratt,

I would like to review some details of Cedar supplying us Strel 4.

We would like to receive 25% of production (317,842 gals. total) each month, February through May.

Material should then be shipped to our warehouse in Mississippi:

Cascio Storage and Warehouse, Inc.  
1795 North Theobald Ext.  
Greenville, MS 38704-4938

Contact: Phil Cascio, Jr.  
(601) 335-6150 or  
(601) 335-8418

Please contact me if you have any questions.

Sincerely,

Cecelia Wnek  
Operation Assistant  
Agricultural Chemicals, NA

cc: Charlie Parker ✓  
Cedar Chemical

CW/bam



*cc  
Robbing  
Hornblum  
Est file  
Parker  
Parker*

December 18, 1990

Mr. W. C. Keese  
Vice President - Pesticides  
Cedar Chemical Corporation  
24th Floor  
5100 Poplar Avenue  
Memphis, TN 38137

Dear Mr. Keese:

We have elected to exercise our option of supplying DCA to Cedar Chemical for the production of Propanil in 1991, as per our sales agreement.

We will supply the following quantity of 98% DCA:

317,842 gals. Propanil X 3.152 lbs. DCA/gal. = 1,001,838 lbs. DCA (100% A.I.)

The initial price Cedar Chemical will invoice Rohm and Haas for the 317,842 gals. is \$5.779/gal.

Initial price calculated as follows:

1990 final selling price Rohm and Haas: \$14.00 x 80% = \$11.200  
less cost: DCA supplied 3.152 lbs. DCA/gal. x \$1.72/lb. = \$5.421

Net amount of invoice to Rohm and Haas per gal. = \$5.779

I will contact you after the holidays regarding our option of auditing the bona fide price per lb. (\$1.72, 100% basis) for DCA purchased by Cedar as stated in your letter dated November 30, 1990.

Please contact me if you have any questions.

Sincerely,

M. J. Carr  
Financial Manager  
Agricultural Chemicals

MJC:val  
0002g



November 9, 1990

Mr. J. C. Bumpers  
Vice President - Finance/Admin.  
Cedar Chemical Corporation  
24th Floor  
5100 Poplar Avenue  
Memphis, TN 38137

Dear Mr. Bumpers:

The Final Average Weighted Distributor selling price for STAM in 1990 was \$14.00/gallon.

The amount owed Cedar Chemical for the 1990 season, derived from subtracting the initial price paid to Cedar Chemical from the final price, is summarized on Schedule I.

According to our most recent contract revision, if the Final Price determined in Paragraph 3(a) is greater than the initial price as set forth in Paragraph 3(b), then price adjustments shall bear interest.

Interest due Cedar Chemical is calculated from the date of payment of each invoice for product at the initial price to the date of payment for any adjustments. The rate of interest is 10.0%, the prime rate as quoted in the Wall Street Journal as of May 1, 1990.

STAM sales volume in 1990 totaled 1,589,211 gallons. For 1991, the purchase quantity is 317,842 gallons at an initial price of \$11.20/gallon (\$14.00 gal. X 80%). Please inform us by November 30, 1990 if you would like to supply us with propanil in 1991. If so, our contract specifies that we receive the following information:

- 1) The quantity of DCA required to produce 317,842 gallons of propanil.
- 2) The bona fide price per pound (F.O.B. Cedar Chemicals, West Helena, Arkansas plant) at which Cedar is able to purchase such quantity of DCA (100% A.I.) with a minimum quality of 98%.

Rohm and Haas, via DuPont, supplied excess DCA to Cedar for the 1990 campaign. The amount of DCA supplied on a 100% basis was 1,044,668 lbs. The amount consumed to produce 329,420 gallons STAM X 3.152 lbs./gal. equals 1,038,332 lbs. DCA. The difference (1,044,668 - 1,038,332) of 6,336 lbs. multiplied by \$1.55/lb. (100% basis) results in a payment due Rohm and Haas Co. of \$9,820.80.

Cedar Chemical Corporation  
Mr. J. C. Bumpers

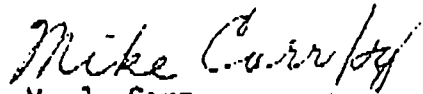
November 9, 1990  
Page Two

The net amount owed Cedar Chemical for the 1990 season is \$765,572.08 in price adjustments, plus interest of \$44,203.70, less \$9,820.80 for a total of \$799,954.98.

This amount will be paid by November 30, 1990.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Mike Carr".

M. J. Carr  
Financial Manager  
Agricultural Chemicals

MJC:1cm  
0002j



# CALCULATION OF AMOUNT OWED AND INTEREST DUE CEDAR CHEMICAL CO

SCHEDULE 1

CHECK NO	DATE PAID	GALLONS	AMOUNT OWED	DAYS TO NOV 30 1990	INTEREST DUE @ 10 %	DAY OF YR
33873	3/14/90	8750	\$20,335.00	262	\$1,439.66	72
33904	3/15/90	4375	\$10,167.50	261	\$727.05	73
33976	3/19/90	30625	\$71,172.50	256	\$4,991.82	78
34022	3/20/90	4375	\$10,167.50	255	\$710.33	79
34051	3/21/90	4375	\$10,167.50	254	\$707.55	80
34081	3/22/90	17500	\$40,670.00	253	\$2,819.04	81
34147	3/26/90	26250	\$61,005.00	249	\$4,161.71	85
34195	3/27/90	8750	\$20,335.00	248	\$1,501.67	86
34631	4/12/90	26250	\$61,005.00	232	\$3,877.58	102
34665	4/16/90	21875	\$50,837.50	228	\$3,175.60	106
34704	4/17/90	4375	\$10,167.50	227	\$632.33	107
35284	5/14/90	21875	\$50,837.50	200	\$2,785.62	134
35315	5/15/90	13125	\$30,502.50	199	\$1,663.01	135
35340	5/16/90	4375	\$10,167.50	198	\$551.55	136
35284	5/14/90	4375	\$10,167.50	200	\$557.12	134
35426	5/21/90	8750	\$20,335.00	193	\$1,075.28	141
35494	5/23/90	4375	\$10,167.50	191	\$532.05	143
35516	5/24/90	4375	\$10,167.50	190	\$529.27	144
35643	5/30/90	21875	\$50,837.50	184	\$2,562.77	150
35718	6/04/90	17500	\$40,670.00	179	\$1,994.50	155
35759	6/05/90	13125	\$30,502.50	178	\$1,487.52	156
35793	6/06/90	8750	\$20,335.00	177	\$986.11	157
36012	6/18/90	4375	\$10,167.50	163	\$459.63	169
36081	6/20/90	4375	\$10,167.50	163	\$454.06	171
36120	6/21/90	4375	\$10,167.50	162	\$451.27	172
36165	6/25/90	4375	\$10,167.50	158	\$440.13	176
36194	6/26/90	8750	\$20,335.00	157	\$874.68	177
36625	6/27/90	8750	\$20,335.00	156	\$869.11	178
36460	7/10/90	4375	\$10,167.50	143	\$398.34	191
36510	7/12/90	4375	\$10,167.50	141	\$392.77	193
36561	7/16/90	5670	\$13,177.08	137	\$494.59	197
		327420✓	\$765,572.08✓		\$44,203.70	

INITIAL PRICE - \$11.97/GALLON \* 80% = \$9.576/GALLON✓  
 LESS: COST OF DCA SUPPLIED - \$4.886/GALLON✓  
 NET TOTAL = \$4.69

FINAL PRICE - \$14.00/GALLON \* 85% = \$11.90/GALLON✓  
 LESS: COST OF DCA SUPPLIED - \$4.886/GALLON✓  
 NET TOTAL = \$7.014

AMOUNT OWED - \$7.014/GAL - \$4.69/GAL = \$2.324/GALLON✓

INTEREST RATE = PRIME RATE QUOTED = 10 %  
 IN WSJ ON 5/1/90

# ROHM AND HAAS TENNESSEE INCORPORATED

P.O. BOX 591

KNOXVILLE, TENNESSEE 37901



ROHM AND HAAS REFERENCE NUMBER

PURCHASE ORDER NO.

04 44378

SUPPLEMENT NO.

A/R OR JOB NO.

EFC

ORDER DATE

EXPEDITOR

BUYER

PRICE SOURCE

OTHER

PCC

ACCOUNTING CODE

REQUISITION NUMBER

DEPARTMENT ACCOUNT

PAGE

1/28/91

EBM

005

RQ 44378

7700

01

REQUIRED DEL'Y PROMISED SHIP.

VENDOR NUMBER TRANSMITTAL NUMBER

TAX INFORMATION

BUILDING/AREA

As produced 2/1/91 - 5/31/91

FOB

FREIGHT TERMS

INVOICE TERMS

SHIP VIA

UNIT/ITEM

SEE BELOW

NET 30 DAYS

MOTOR FREIGHT

VENDOR

CEDAR CHEMICAL CORPORATION  
24TH FLOOR - 5100 POPLAR AVENUE  
MEMPHIS, TN 38137  
ATTN: W. C. KEESE

SHIP TO

ROHM AND HAAS TENNESSEE INCORPORATED  
P.O. BOX 591  
730 DALE AVENUE  
KNOXVILLE, TENNESSEE 37901

SEE BELOW

IMPORTANT INSTRUCTIONS

RETURN THIS ACKNOWLEDGMENT, PROPERLY EXECUTED, AT ONCE, TO THE BUYER AT THE ADDRESS INDICATED IN THE UPPER LEFT CORNER OF THE FORM.

LINE ITEM	CODE	QUANTITY	UM	MATERIAL OR SERVICE REQUESTED	\$ PRICE
	60-0600	APPROX. 317.870	GL	STREL 4E (PROPANIL) (35 GALLON DRUMS)	5.779/GL
<p>NOTE: THIS MATERIAL IS TO BE PACKAGED IN 35 GL STEEL DRUMS MEETING ROHM AND HAAS CODE #1377 SPECIFICATION AND SHIPPED TO CASCIO STORAGE &amp; WAREHOUSE, INC. IN GREENVILLE, MS IN TRUCKLOAD QUANTITIES AS PRODUCED AND MADE AVAILABLE FOR SHIPMENT. PRODUCT IS TO BE PRODUCED AND SHIPPED DURING THE PERIOD FROM 2/1/91 THRU 5/31/91 WITH APPROXIMATELY 25% PER MONTH. MATERIAL PRODUCED MUST MEET THE FOLLOWING ROHM AND HAAS SPECIFICATIONS:</p> <ol style="list-style-type: none"> <li>1. ACTIVE INGREDIENT LBS/GL AT 25 DEGREES C, 4.0 - 4.2.</li> <li>2. SELF EMULSIFICATION - FAIR TO GOOD</li> <li>3. SEPARATION AFTER ONE HOUR 100 PPM HARD WATER - 2% TOTAL BOTTOM SEPARATION MAX.</li> <li>4. SEPARATION AFTER ONE HOUR NAVY HARD WATER - 2% TOTAL BOTTOM SEPARATION MAX.</li> <li>5. FLASH POINT (SETA FLASH) 150 DEGREES C, MIN.</li> <li>6. WATER CONTENT, 0.3%, MAX.</li> </ol>					

MATERIAL WILL BE SHIPPED:

ON (Date) \_\_\_\_\_

By (Carrier) \_\_\_\_\_

REMARKS: (Explain fully any exceptions)

VENDOR REFERENCE NO.:

VENDOR AUTHORIZED SIGNATURE AND DATE (BY SIGNING THIS ACKNOWLEDGMENT, SELLER AGREES TO ACCEPT THE CONDITIONS ON REVERSE SIDE OF THIS ORDER.)

TO: ACCOUNTS PAYABLE  
CHANGES APPROVED

BUYER

DATE

FORM 2458 REV. 4/82

ACKNOWLEDGEMENT (2)

CONTINUED

1. 28. 91

## GENERAL CONDITIONS

### GENERAL CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS INCLUDING ORDERS FOR RAW MATERIALS

1. **Acceptance**  
This order expressly limits acceptance to terms stated herein unless otherwise stated on the face of this order. Any additional or different terms proposed by Seller are objected to in advance and hereby rejected and Buyer's acceptance of Seller's goods and services shall not be deemed an acceptance of Seller's terms.
2. **Assignment**  
This purchase order shall not be assignable by either party without the prior written consent of the other, and Buyer shall be under no obligation whatsoever to recognize any such assignment, without its prior consent, and shall be at liberty, regardless, to pay the proceeds of this purchase order to the Seller.
3. **Modifications**  
This order contains the entire agreement between Buyer and Seller and may be modified or restated only by a written change order (supplement) issued by Buyer and accepted by Seller pursuant to the terms stated herein.
4. **Quality and Warranty**  
(a) General: All material and equipment purchased hereunder is subject to inspection and approval by Buyer. Buyer reserves the right to make final acceptance at its plant or at the designated shipping point. Any material or equipment found defective will be returned and replaced at Seller's expense.  
(b) Raw Materials and Supplies: Seller warrants that materials will comply with his published specifications. Seller agrees to notify Buyer of any changes in process or quality control. Any material found defective will be returned at Seller's expense in both directions. If Seller is not the manufacturer of the material, he will specify the manufacturer and will notify Buyer of any change in the source of material. If Seller has agreed to furnish material complying with Buyer's specifications, they shall take precedence over Seller's specifications.  
(c) Equipment and Mechanical Goods: Seller warrants that the goods purchased hereunder are suitable for the particular purpose stated in this order. Buyer affirms that he has relied on Seller's skill and judgment to select or furnish the goods for a particular purpose. Seller further warrants that the goods are new, of first quality and will be free of defects in workmanship and materials for a period of twelve months from the date of initial operation or eighteen months after delivery to jobsite of the entire order, whichever date shall first occur.
5. **Termination and Delays**  
(a) Buyer may terminate this order at any time.  
(b) Buyer reserves the right to cancel this order or any portion of same and to charge Seller for any loss entailed, if delivery is not made when and as specified, time being the essence of this order.  
(c) Neither party shall be liable for delays caused by bona fide labor disputes, war, acts of government, accidents, fire, flood or other cause reasonably beyond its control, but shall use all reasonable efforts to minimize the extent of the delay. Buyer reserves the right to terminate this order without further liability if delays due to the above, in its judgment, result in unreasonable hardship.  
(d) If Seller should be adjudged a bankrupt or should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if the proceeds of this contract be made the subject of attachment, levy or other legal process, foreign or domestic, or if he should fail to make prompt payment to subcontractors or for materials or labor, or disregard laws, ordinances, or other governmental regulations, or if he should refuse or fail to supply enough skilled workmen or proper materials in prosecution of the work, or if he unreasonably or willfully delays the work, or violates any provisions of the contract including rules and regulations incorporated into this contract by reference, Buyer, by written notice may terminate Seller's services, take possession of the work and finish the work in any manner suitable to Buyer. If the cost of finishing the work exceeds the unpaid balance of the contract price, Seller shall pay Buyer the difference.
6. **Payment**  
Invoices will be paid only if acceptable goods have been received.  
(a) **Caution:** Prompt payment of invoices depends upon Seller carefully complying with the procedures established hereunder. Failure to comply with any provisions of this order constitutes a breach of contract, which, in addition to making Seller liable for all damages caused by the breach of contract, may result in Buyer cancelling the order in whole or in part. Buyer will be responsible only for materials and/or services provided by Seller on a properly executed purchase order.  
(b) **Discounts:** Discount shall be calculated from date invoice is received in proper form or from date material is received, whichever is later.  
(c) **Freight:** Freight must be prepaid on all material sold on a delivered or freight allowed basis.  
(d) **Taxes:** Seller agrees to pay any taxes imposed by law upon, or on account of the materials and/or services purchased hereunder unless otherwise agreed.
7. **Patents**  
Seller warrants that the services material or any other item purchased hereunder by Buyer do not infringe any patent or other property right, and agrees to bear the expense of defending any suit brought against Buyer charging that the services, material or other item purchased infringes any patent or other property right, and to pay any profits or damages that may be awarded in any such suit.
8. **Non-Disclosure**  
Seller shall not reveal to any third person that Buyer has purchased or contracted to purchase or receive the material or services ordered, or advertise that he is a supplier to Buyer.
9. **Blue Prints, Drawings, Photographs, Etc.**  
Documents showing equipment ordered by Buyer shall be treated confidentially and shall not be disclosed to any third person or used for advertising purposes. Final Vendor's Prints shall become property of Buyer, in the event that this equipment is duplicated at a later date such drawings may be used as bid drawings either as originally drawn or as modified by Buyer.
10. **Compliance With Regulations**  
Seller warrants that all goods and services purchased hereunder shall conform with all applicable city, state, and federal laws, ordinances and regulations and shall indemnify, defend and save Buyer harmless from loss, cost or damage by reason of any actual violation thereof.
11. **Overtime on Contracts for Equipment, Mechanical Goods and all Services**  
If, through no fault of the Seller, Buyer requests work in excess of Seller's normal work week, Seller will pay the straight time portion of wages and Buyer the premium time portion plus applicable taxes. No profit or overhead may be added to premium payments. Insurance may be added only in states where insurance premiums are payable on overtime. Overtime required to meet promised delivery dates will be paid by Seller.
12. **Seller warrants that in supplying materials and services hereunder, Seller has complied with paragraphs (1) through (7) of Section 202 and with Section 203 of the President's Executive Order, 22,11246 of September 24, 1965 with respect to Equal Employment Opportunity, with the provisions of 41 CFR 11310-7(a) (if this order is in excess of \$10,000) or of 41 CFR 11310-2(b) (if this order is in excess of \$500,000) with respect to Utilization of Minority Business Enterprises; with the applicable provisions of 41 CFR 60-741 (if this order is in excess of \$2,500) with respect to Employment of the Handicapped, with the applicable provisions of 41 CFR 60-250 (if this order is for \$10,000 or more) with respect to Affirmative Action obligations for Disabled Veterans and Vietnam era veterans.**
13. **Certification Of Non-Segregated Facilities**  
By accepting this order, the seller certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. Seller agrees that a breach of this certification is a violation of the equal opportunity clause in this purchase order.  
As used in this certification, the term "segregated facilities" means any waiting room, work area, restroom, or washroom, restaurant and other eating area, time clock, locker room or other storage or dressing area, parking lot, drinking fountain, recreation or entertainment area, transportation and housing facility provided for employees which are segregated by explicit directive or in fact segregated on the basis of race, religion, color or national origin, because of habit, local custom or otherwise.  
Seller further agrees that he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause, that he will retain such certification in his files, and that he will forward the following notice to his proposed subcontractors (except when the proposed subcontractors have submitted identical certification for specific time periods):

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NON-SEGREGATED FACILITIES**  
A certification of non-segregated facilities, as required by 41 CFR 60-1.8, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the equal opportunity clause, the certification may be submitted either for each subcontract or for all subcontracts during a period (a quarterly, semi-annually, or annually).  
If this order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under executive order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100 (EEO-1) within 30 days after the award of this contract if seller has not previously filed compliance reports.

REV. 3/82

### ADDITIONAL GENERAL CONDITIONS APPLICABLE TO FIELD LABOR CONTRACTS

1. **IF THIS IS A CONTRACT FOR WORK TO BE DONE ON THE PREMISES OF ROHM AND HAAS COMPANY, ITS SUBSIDIARIES OR AFFILIATES, THE FOLLOWING SECTIONS APPLY IN ADDITION TO OTHER APPLICABLE SECTIONS IN THESE GENERAL CONDITIONS. THE WORDS CONTRACTOR AND SELLER ARE USED INTERCHANGEABLY.**
2. **Liability and Insurance**  
Contractor will comply with all applicable statutes with respect to Workmen's Compensation, Employer's Liability, Unemployment Compensation and/or Old Age Benefits, and all other applicable laws relating to or affecting the employment of labor.  
Contractor will indemnify, save harmless and defend Buyer from any and all claims and liabilities for injuries (including death) and also for any and all claims and liabilities arising out of loss or damage to property, caused by or resulting from the performance of the work covered hereby.  
Contractor will maintain at his expense complete Workmen's Compensation, Employer's Liability, and Public Liability Insurance against injuries to persons (including death) and loss or damages to property, all such insurance to be carried with companies acceptable to Buyer and all such Public Liability Insurance to have limits satisfactory to Buyer. Contractor shall, upon request by Buyer, file with Buyer Certificates of Insurance evidencing such insurance signed by authorized representatives of the insurance companies and stating that, in the event of any material change in or cancellation of the coverage, at least ten (10) days prior written notice will be given to Buyer.
3. **Site and Local Conditions**  
The work will be done under the coordination, scheduling and inspection of Buyer. Contractor agrees to examine the site in order to acquaint himself with local conditions including regulations governing admission to the site, safety and plant security. Contractor accepts conditions at the site as of the date of this contract and no allowances will be made after contract award for any error or negligence in this connection.  
Buyer reserves the right to let other contracts adjacent to this work. This contractor shall afford such other contractors reasonable opportunity for the introduction and storage of their materials and for the execution of their work and shall properly coordinate with their activities as directed by Buyer.  
If Contractor's work interferes with that of others, Contractor shall notify Buyer immediately in writing of any conditions which may affect completion of the work or the cost thereof. Absence of such notification shall constitute a waiver of the effect of such condition. The Contractor assumes responsibility for the cooperation of his employees and those of his subcontractors with those employed on adjacent work.
4. **Measurements**  
Contractor shall provide reasonable facilities to enable Buyer to set points and make measurements. A base line and bench mark will be supplied by Buyer. Contractor will make all layouts.  
Contractor shall verify and be responsible for the correctness of all measurements. Differences must be submitted to Buyer before proceeding with the work. No claim because of difference in actual and indicated dimensions will be allowed.
5. **Supervision And Employment**  
Contractor shall keep on the work a competent superintendent or foreman who shall be his authorized representative for all purposes under this contract and shall not be changed for the duration of the work, except with Buyer's approval.  
While on Buyer's premises, the Contractor's employees shall confine themselves to areas designated by Buyer.
6. **Permits, Licenses and Easements**  
Contractor shall give all notices and secure and pay for required permits, licenses and easements.
7. **Safety and Plant Rules**  
Contractor shall conform to the best safe standards for construction of this type, and shall comply with specific regulations of all public authorities as well as those of Buyer relating to safety, admission to the plant or site, and plant security. Contractor shall perform his work in accordance with the Occupational Safety and Health Act "Safety and Health Regulations for Construction" and any revisions to these regulations. Contractor shall also be liable for any cost incurred due to failure to comply to these regulations. Any equipment or material furnished on this purchase order shall comply with the provisions of the Occupational Safety and Health Act.
8. **Workmanship, Materials and Employees**  
The work shall be executed in the best and most workmanlike manner by qualified and efficient workers in strict conformity with the best standard practice. The site shall be kept free of waste and on completion, left "broom clean". In case of dispute, Buyer may remove waste at Contractor's expense.  
If requested, Contractor shall furnish satisfactory evidence as to the kind and quality of materials to be used.  
Subject to the limitations expressed in this contract, the Contractor shall have exclusive control of the manner and method of performing the work, and shall be responsible for persons engaged on the work, none of whom shall constitute employees of Buyer. Contractor assumes responsibility for loss of or damage to materials, tools, equipment or other property to be or being installed by the Contractor, whether furnished by Buyer or others.
9. **Correction**  
Contractor shall remove material not meeting specifications whether incorporated in the work or not, and re-execute his work at no cost to Buyer, and shall pay for making good other work damaged by such replacement.  
If Contractor does not remove condemned work promptly, Buyer may do so and store materials at Contractor's expense. If Contractor does not pay the removal expense in 10 days, Buyer may, on 10 days written notice, sell the materials and account to Contractor for the proceeds, after deducting all expenses, which must be borne by Contractor.  
Neither acceptance of nor payment for work shall relieve Contractor of responsibility for faulty materials or workmanship. He shall remedy defects appearing within one year from the date of final payment and pay for the resulting damage to other work. Buyer shall give prompt notice of observed defects.
10. **Changes and Additions to Work**  
Buyer may make changes in or authorize additional work by written order. In all cases affecting the character or amount of the work to the extent of requiring an adjustment of the Contractor's compensation, such adjustment shall be agreed upon prior to performance of the change or addition. All extra work must be approved in writing by Buyer before said work is begun.
11. **Subcontracts**  
Contractor shall not subcontract work without prior written consent of Buyer. Rejection by Buyer of any proposed subcontractor shall not obligate Buyer for additional cost. If required, the Contractor will furnish Buyer a copy of any subcontracts.
12. **Terms Of Payment**  
Installment payments will be made only if expressly provided for and will be made only on the basis of billings for materials installed and for work actually completed and approved by Buyer, less 10% contingency reserve, and subject to an absolute limit of 90% of the total contract price until final acceptance of the work. Balance will be paid after completion and final acceptance by Buyer. Buyer reserves the right to withhold payment of any approved bill, or part thereof, if according to Buyer estimates the ratio of payments made to total contract price would exceed the ratio of work actually performed to total work called for under the contract, making due allowance for the 10% contingency reserve. The 10% contingency reserve does not apply to field change order invoices.
13. **Cost Accounting**  
Contractor shall furnish in a form acceptable to Buyer, a breakdown of the contract price for cost accounting purposes within 30 days from the date of award of contract.
14. **Trade Analysis Information**  
If required by Buyer, after purchase, the Contractor shall furnish Buyer a breakdown by manufacturers and dollar value of major materials entering into this contract.
15. **Release Of Liens**  
If the work is done in Pennsylvania, Contractor shall furnish a waiver of liens in proper form for recording in the public office for recording liens, etc. in the county in which the work is to be performed before any of the work is begun. For work done in any state, Buyer shall have the right to require Contractor to furnish a complete release of liens before final payment is made. If any lien is filed or remains unrighted, Contractor shall indemnify Buyer for all sums expended and costs incurred in discharging such lien.
16. **Raw Materials Only**  
If materials and/or equipment are to be furnished by Contractor hereunder title shall pass to Buyer upon installation in the work.
17. **Raw Materials Only**  
Seller warrants that (a) unless excluded by definition from the United States Toxic Substances Control Act (the "Act") all material shipped hereunder is included on the inventory list promulgated under the Act, or is exempt from Part 5 of the Act, and complies in all other respects with applicable requirements and regulations thereunder, and (b) shipments hereunder will comply in all respects with applicable requirements of the Hazardous Materials Transportation Act and regulations thereunder. Seller agrees to hold Buyer harmless from all damages and liability (including attorney fees) resulting from any breach of these warranties.

**ROHM AND HAAS TENNESSEE INCORPORATED**
**P. O. BOX 591**
**KNOXVILLE, TENNESSEE 37901**

**ROHM AND HAAS REFERENCE NUMBER**
**PURCHASE ORDER NO.**
**04 44378**
**SUPPLEMENT NO.**
**A/R OR JOB NO.**
**EFC**
**ORDER DATE**
**1/28/91**
**EXPEDITOR**
**BUYER**
**EBM**
**PRICE SOURCE**
**OTHER**
**PCC**
**005**
**ACCOUNTING CODE**
**REQUISITION NUMBER**
**RQ 44378**
**DEPARTMENT ACCOUNT**
**7700**
**PAGE**
**02**
**REQUIRED DEL'Y**
**PROMISED SHIP.**
**VENDOR NUMBER**
**TRANSMITTAL NUMBER**
**TAX INFORMATION**
**BUILDING/AREA**
**FOB**
**FREIGHT TERMS**
**INVOICE TERMS**
**SHIP VIA**
**UNIT/ITEM**
**SEE BELOW**
**NET 30 DAYS**
**MOTOR FREIGHT**
**VENDOR**

**CEDAR CHEMICAL CORPORATION  
24TH FLOOR - 5100 POPLAR AVENUE  
MEMPHIS, TN 38137  
ATTN: W. C. KEESE**

**SHIP TO**

**ROHM AND HAAS TENNESSEE INCORPORATED  
P. O. BOX 591  
730 DALE AVENUE  
KNOXVILLE, TENNESSEE 37901**

**IMPORTANT INSTRUCTIONS**

RETURN THIS ACKNOWLEDGMENT, PROPERLY EXECUTED, AT ONCE, TO THE BUYER AT THE ADDRESS INDICATED IN THE UPPER LEFT CORNER OF THE FORM.

LINE ITEM	CODE	QUANTITY	UM	MATERIAL OR SERVICE REQUESTED	\$ PRICE
				<p>7. SOLVENT CONTENT (ISOPHORONE) 38.5% MAX.</p> <p>8. ACTIVE INGREDIENT - 43.5 - 45.0%.</p> <p>9. APPEARANCE - DARK LIQUID.</p> <p>10. THIRTY FIVE (35) GALLONS PER DRUM MINIMUM IN ROHM AND HAAS CONTAINER CODE #1377 SPECIFICATION.</p> <p>SHIP TO: ROHM AND HAAS COMPANY C/O CASCIO STORAGE &amp; WAREHOUSE, INC. 1795 NORTH THEODALD EXIT GREENVILLE, MS 38704</p> <p>F. O. B. WEST HELENA, AR - CHARLIE PARKER TO ADVISE ED MAUPIN CARRIER AND FREIGHT RATE.</p> <p>ROHM AND HAAS TENNESSEE INC. PURCHASE ORDER #04-44377 ISSUED TO E. I. DUPONT COVERING THE PURCHASE OF APPROXIMATELY 1,001,838 POUNDS 3.4 DICHLOROANILINE 99% (80-0128) FOR SHIPMENT FROM DUPONT TO CEDAR CHEMICAL IN 45,000 LB. TANK TRUCK QUANTITIES. REPORTS COVERING THE RECEIPT OF 3.4 DCA FROM DUPONT SHOULD BE MAILED TO ROHM AND HAAS TENNESSEE INC.:</p>	

**MATERIAL WILL BE SHIPPED:**
**ON (Date)**
**By (Carrier)**
**REMARKS: (Explain fully any exceptions)**
**VENDOR REFERENCE NO.:**

VENDOR AUTHORIZED SIGNATURE AND DATE  
(BY SIGNING THIS ACKNOWLEDGMENT, SELLER  
AGREES TO ACCEPT THE CONDITIONS ON RE-  
VERSE SIDE OF THIS ORDER.)

TO: ACCOUNTS PAYABLE  
CHANGES APPROVED

**BUYER**
**DATE**

FORM 2458 REV. 4/82

**ACKNOWLEDGEMENT (2)**
**CONTINUED**
**1. 28. 91**

## GENERAL CONDITIONS

### GENERAL CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS INCLUDING ORDERS FOR RAW MATERIALS

1. **Acceptance**  
This order expressly limits acceptance to terms stated herein unless otherwise stated on the face of this order. Any additional or different terms proposed by Seller are objected to in advance and hereby rejected and Buyer's acceptance of Seller's goods and services shall not be deemed an acceptance of Seller's terms.
2. **Assignment**  
This purchase order shall not be assignable by either party without the prior written consent of the other, and Buyer shall be under no obligation whatsoever to recognize any such assignment, without its prior consent, and shall be at liberty regardless, to pay the proceeds of this purchase order to the Seller.
3. **Modification**  
This order contains the entire agreement between Buyer and Seller and may be modified or rescinded only by a written change order (supplement) issued by Buyer and accepted by Seller pursuant to the terms stated herein.
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(a) General - All material and equipment purchased hereunder is subject to inspection and approval by Buyer. Buyer reserves the right to make final acceptance at its plant or at the designated shipping point. Any material or equipment found defective will be returned and replaced at Seller's expense.  
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(c) Equipment and Mechanical Goods - Seller warrants that the goods purchased hereunder are suitable for the particular purpose stated in this order. Buyer affirms that he has relied on Seller's skill and judgment to select or furnish the goods for a particular purpose. Seller further warrants that the goods are new, of first quality and will be free of defects in workmanship and materials for a period of twelve months from the date of initial operation or eighteen months after delivery to jobsite of the entire order, whichever date shall first occur.
5. **Termination and Delays**  
(a) Buyer may terminate this order at any time.  
(b) Buyer reserves the right to cancel this order or any portion of same and to charge Seller for any loss entailed if delivery is not made when and as specified, time being the essence of this order.  
(c) Neither party shall be liable for delays caused by bona fide labor disputes, war, acts of government, accidents, fire, flood or other cause reasonably beyond its control, but shall use all reasonable efforts to minimize the extent of the delay. Buyer reserves the right to terminate this order without further liability if delays due to the above, in its judgment, result in unreasonable hardship.  
(d) If Seller should be adjudged a bankrupt or should make a general assignment for the benefit of his creditors, or if a receiver should be appointed or an order of insolvency, or if the proceeds of this contract be made the subject of attachment, levy or other legal process, foreign or domestic, or if he should fail to make prompt payment to subcontractors or for materials or labor, or disregard laws, ordinances or other governmental regulations, or if he should refuse or fail to supply enough skilled workmen or proper material to prosecute the work, or if he unreasonably or willfully delays the work, or violates any provisions of the contract including rules and regulations incorporated into this contract by reference, Buyer, by written notice may terminate Seller's services, take possession of the work and finish the work in any manner suitable to Buyer. If the cost of finishing the work exceeds the unpaid balance of the contract price, Seller shall pay Buyer the difference.
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(b) **Discounts** - Discount shall be calculated from date invoice is received in proper form or from date material is received, whichever is later.  
(c) **Freight** - Freight must be prepaid on all material sold on a delivered or freight allowed basis.  
(d) **Taxes** - Seller agrees to pay any taxes imposed by law upon or on account of the materials and/or services purchased hereunder unless otherwise agreed.
7. **Patents**  
Seller warrants that the services, material or any other item purchased hereunder by Buyer do not infringe any patent or other property right and agrees to bear the expense of defending any suit brought against Buyer charging that the services, material or other item purchased infringes any patent or other property right and to pay any profits or damages that may be awarded in any such suit.
8. **Non-Disclosure**  
Seller shall not reveal to any third person that Buyer has purchased or contracted to purchase or receive the material or services ordered, or advertise that he is a supplier to Buyer.
9. **Blue Prints, Drawings, Photographs, Etc.**  
Documents showing equipment ordered by Buyer shall be treated confidentially and shall not be disclosed to any third person or used for advertising purposes. Final Vendor's Prints shall become property of Buyer in the event that this equipment is duplicated at a later date such drawings may be used as bid drawings either as originally drawn or as modified by Buyer.
10. **Compliance With Regulations**  
Seller warrants that all goods and services purchased hereunder shall conform with all applicable city, state, and federal laws, ordinances, and regulations, and shall indemnify, defend and save Buyer harmless from loss, cost or damage by reason of any actual violation thereof.
11. **Overtime on Contracts for Equipment, Mechanical Goods and All Services**  
If through no fault of the Seller, Buyer requests work in excess of Seller's normal work week, Seller will pay the straight time portion of wages and Buyer the premium time portion plus applicable taxes. No profit or overhead may be added to premium payments. Insurance may be added only in states where insurance premiums are payable on overtime. Overtime required to meet promised delivery dates will be paid by Seller.
12. **Seller warrants that in supplying materials and services hereunder, Seller has complied with paragraphs (1) through (17) of Section 202 and with Section 203 of the President's Executive Order, # 11246 of September 24, 1965 with respect to Equal Employment Opportunity, with the provisions of 41 CFR 11310.21a if this order is in excess of \$10,000 or of 41 CFR 11310.21b if this order is in excess of \$50,000 with respect to Utilization of Minority Business Enterprises, with the applicable provisions of 41 CFR 60.741 if this order is in excess of \$2,500 with respect to Employment of the Handicapped, with the applicable provisions of 41 CFR 60.250 if this order is for \$10,000 or more with respect to Affirmative Action obligations for Disabled Veterans and Vietnam era veterans.**
13. **Certification Of Non-Segregated Facilities**  
By accepting this order, the seller certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments and that he does not permit his employees to perform their services at any location, under his control where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. Seller agrees that a breach of this certification is a violation of the equal opportunity clause in this purchase order.  
As used in this certification the term "segregated facilities" means any waiting room, work area, restroom, or washroom, restaurant and other eating area, time clock, locker room or other storage or dressing area, parking lot, drinking fountain, recreation or entertainment area, transportation and housing facility provided for employees which are segregated by explicit directive or in fact segregated on the basis of race, religion, color or national origin, because of habit, local custom or otherwise.  
Seller further agrees that he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause, that he will retain such certification in his files and that he will forward the following notice to his proposed subcontractors (except when the proposed subcontractors have submitted identical certification for specific time periods):

#### NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NON-SEGREGATED FACILITIES

A certification of non-segregated facilities, as required by 41 CFR 60.118, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the equal opportunity clause. The certification may be submitted either for each sub contract or for all subcontracts during a period (i.e. quarterly, semi-annually, or annually).  
If this order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under executive order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100 (EEO-1) within 30 days after the award of this contract if seller has not previously filed compliance reports.

REV. 3/82

### ADDITIONAL GENERAL CONDITIONS APPLICABLE TO FIELD LABOR CONTRACTS

1. **IF THIS IS A CONTRACT FOR WORK TO BE DONE ON THE PREMISES OF ROHM AND HAAS COMPANY, ITS SUBSIDIARIES OR AFFILIATES, THE FOLLOWING SECTIONS APPLY IN ADDITION TO OTHER APPLICABLE SECTIONS IN THESE GENERAL CONDITIONS. THE WORDS CONTRACTOR AND SELLER ARE USED INTERCHANGEABLY.**
2. **Liability and Insurance**  
Contractor will comply with all applicable statutes with respect to Workmen's Compensation, Employer's Liability, Unemployment Compensation and Old Age Benefits, and all other applicable laws relating to or affecting the employment of labor.  
Contractor will indemnify, save harmless and defend Buyer from any and all claims and liabilities for injuries (including death) and also for any and all claims and liabilities arising out of loss or damage to property, caused by or resulting from the performance of the work covered hereby.  
Contractor will maintain at his expense complete Workmen's Compensation, Employer's Liability, and Public Liability Insurance against injuries to persons (including death) and loss or damages to property, all such insurance to be carried with companies acceptable to Buyer and all such Public Liability Insurance to have limits satisfactory to Buyer. Contractor shall, upon request by Buyer, file with Buyer Certificates of Insurance evidencing such insurance signed by authorized representatives of the insurance companies and stating that, in the event of any material change in or cancellation of the coverage, at least ten (10) days prior written notice will be given to Buyer.
3. **Site and Local Conditions**  
The work will be done under the coordination, scheduling and inspection of Buyer. Contractor agrees to examine the site in order to acquaint himself with local conditions including regulations governing admission to the site, safety and plant security. Contractor accepts conditions at the site as of the date of this contract and no allowances will be made after contract award for any error or negligence in this connection.  
Buyer reserves the right to let other contracts adjacent to this work. This contractor shall afford such other contractors reasonable opportunity for the introduction and storage of their materials and for the execution of their work and shall properly coordinate with their activities as directed by Buyer.  
If Contractor's work joints that of others, Contractor shall notify Buyer immediately in writing of any conditions which may affect completion of the work or the cost thereof. Absence of such notification shall constitute a waiver of the effect of such condition. The contractor assumes responsibility for the cooperation of his employees and those of his subcontractors with those employed on adjacent work.
4. **Measurements**  
Contractor shall provide reasonable facilities to enable Buyer to set points and make measurements. A base line and bench mark will be supplied by Buyer. Contractor will make all layouts.  
Contractor shall verify and be responsible for the correctness of all measurements. Differences must be submitted to Buyer before proceeding with the work. No claim because of difference in actual and indicated dimensions will be allowed.
5. **Supervision And Employment**  
Contractor shall keep on the work a competent superintendent or foreman who shall be his authorized representative for all purposes under this contract and shall not be changed for the duration of the work, except with Buyer's approval.  
While on Buyer's premises, the Contractor's employees shall confine themselves to areas designated by Buyer.
6. **Permits, Licenses and Easements**  
Contractor shall give all notices and secure and pay for required permits, licenses and easements.
7. **Safety and Plant Rules**  
Contractor shall conform to the best safe standards for construction of this type and shall comply with specific regulations of all public authorities as well as those of Buyer relating to safety admission to the plant or site, and plant security. Contractor shall perform his work in accordance with the Occupational Safety and Health Act "Safety and Health Regulations for Construction" and any revisions to these regulations. Contractor shall also be liable for any cost incurred due to failure to comply to these regulations.  
Any equipment or material furnished on this purchase order shall comply with the provisions of the Occupational Safety and Health Act.
8. **Workmanship, Materials and Employees**  
The work shall be executed in the best and most workmanlike manner by qualified and efficient workers in strict conformity with the best standard practice. The site shall be kept free of waste and, on completion, left "broom clean". In case of dispute, Buyer may remove waste at Contractor's expense.  
If requested, Contractor shall furnish satisfactory evidence as to the kind and quality of materials to be used.  
Subject to the limitations expressed in this contract, the Contractor shall have exclusive control of the manner and method of performing the work, and shall be responsible for persons engaged on the work, none of whom shall constitute employees of Buyer. Contractor assumes responsibility for loss of or damage to material, tools, equipment or other property to be or being installed by the Contractor whether furnished by Buyer or others.
9. **Correction**  
Contractor shall remove materials not meeting specifications whether incorporated in the work or not and reexecute his work at no cost to Buyer, and shall pay for making good other work damaged by such replacement.  
If Contractor does not remove condemned work promptly, Buyer may do so and store materials at Contractor's expense. If Contractor does not pay the removal expense, in 10 days, Buyer may, on 10 days written notice, sell the materials and account to Contractor for the proceeds, after deducting all expenses, which must be borne by Contractor.  
Neither acceptance of nor payment for work shall relieve Contractor of responsibility for faulty materials or workmanship. He shall remedy defects appearing within one year from the date of final payment and pay for the resulting damage to other work. Buyer shall give prompt notice of observed defects.
10. **Changes and Additions to Work**  
Buyer may make changes in or authorize additional work by written order. In all cases affecting the character or amount of the work, to the extent of requiring an adjustment of the Contractor's compensation, such adjustment shall be agreed upon prior to performance of the change or addition. All extra work must be approved in writing by Buyer before said work is begun.
11. **Subcontract**  
Contractor shall not subcontract work without prior written consent of Buyer. Rejection by Buyer of any proposed subcontractor shall not obligate Buyer for additional cost. If required the Contractor will furnish Buyer a copy of any subcontracts.
12. **Terms Of Payment**  
Installment payments will be made only if expressly provided for and will be made only on the basis of billings for materials installed and for work actually completed and approved by Buyer, less 10% contingency reserve, and subject to an absolute limit of 90% of the total contract price until final acceptance of the work. Balance will be paid after completion and final acceptance by Buyer. Buyer reserves the right to withhold payment of any approved bill, or part thereof, if according to Buyer estimates the ratio of payments made to total contract price would exceed the ratio of work actually performed to total work called for under the contract, making due allowance for the 10% contingency reserve. The 10% contingency reserve does not apply to field change order invoices.
13. **Cost Accounting**  
Contractor shall furnish in a form acceptable to Buyer, a breakdown of the contract price for cost accounting purposes within 30 days from the date of award of contract.
14. **Trade Analysis Information**  
If required by Buyer, after purchase, the Contractor shall furnish Buyer a breakdown by manufacturers and dollar value of major materials entering into this contract.
15. **Release Of Liens**  
If the work is done in Pennsylvania, Contractor shall furnish a waiver of liens in proper form for recording in the public office for recording liens etc. in the county in which the work is to be performed before any of the work is begun. For work done in any state, Buyer shall, have the right to require Contractor to furnish a complete release of liens before final payment is made. If any lien is filed or remains unsatisfied, Contractor shall indemnify Buyer for all sums expended and costs incurred in discharging such lien.
16. **Title**  
If materials and/or equipment are to be furnished by Contractor hereunder title shall pass to Buyer upon installation in the work.
17. **Raw Materials Only**  
Seller warrants that (a) unless excluded by definition from the United States Toxic Substances Control Act (the "Act") all material shipped hereunder is included on the inventory list promulgated under the Act, or is exempt from Part 5 of the Act and complies in all other respects with applicable requirements and regulations thereunder; and (b) shipments and deliveries hereunder will comply with applicable requirements of the Hazardous Materials Transportation Act and regulations thereunder. Seller agrees to hold Buyer harmless from all damages and liability (including attorney fees) resulting from any breach of these warranties.

# ROHM AND HAAS TENNESSEE INCORPORATED

P. O. BOX 591

KNOXVILLE, TENNESSEE 37901



ROHM AND HAAS REFERENCE NUMBER

PURCHASE ORDER NO.

04 44378

SUPPLEMENT NO.

A/R OR JOB NO.

EFC

ORDER DATE

EXPEDITOR

BUYER

PRICE SOURCE

OTHER

PCC

ACCOUNTING CODE

REQUISITION NUMBER

DEPARTMENT ACCOUNT

PAGE

1/28/91

EBM

005

RQ 44378

7700

03

REQUIRED DEL'Y PROMISED SHIP.

VENDOR NUMBER TRANSMITTAL NUMBER

TAX INFORMATION

BUILDING/AREA

FOB

FREIGHT TERMS

INVOICE TERMS

SHIP VIA

UNIT/ITEM

SEE BELOW

NET 30 DAYS

MOTOR FREIGHT

VENDOR

CEDAR CHEMICAL CORPORATION  
24TH FLOOR - 5100 POPLAR AVENUE  
MEMPHIS, TN 38137  
ATTN: W. C. KEESE

SHIP TO

ROHM AND HAAS TENNESSEE INCORPORATED  
P. O. BOX 591  
730 DALE AVENUE  
KNOXVILLE, TENNESSEE 37901

IMPORTANT INSTRUCTIONS

RETURN THIS ACKNOWLEDGMENT, PROPERLY EXECUTED, AT ONCE, TO THE BUYER AT THE ADDRESS INDICATED IN THE UPPER LEFT CORNER OF THE FORM.

LINE ITEM	CODE	QUANTITY	UM	MATERIAL OR SERVICE REQUESTED	\$ PRICE
				P. O. BOX 591: KNOXVILLE, TN 37901	
				CONFIRMING TO CHARLIE PARKER 1/25/91	

ACKNOWLEDGMENT

MATERIAL WILL BE SHIPPED:

ON (Date) \_\_\_\_\_

By (Carrier) \_\_\_\_\_

REMARKS: (Explain fully any exceptions)

VENDOR REFERENCE NO.:

VENDOR AUTHORIZED SIGNATURE AND DATE  
(BY SIGNING THIS ACKNOWLEDGMENT, SELLER AGREES TO ACCEPT THE CONDITIONS ON REVERSE SIDE OF THIS ORDER)

TO: ACCOUNTS PAYABLE  
CHANGES APPROVED

BUYER \_\_\_\_\_ DATE \_\_\_\_\_

FORM 2458 REV. 4/82

ACKNOWLEDGEMENT (2)

BY E. B. MAUPIN, C. P. M.

1.28.91

## GENERAL CONDITIONS

### GENERAL CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS INCLUDING ORDERS FOR RAW MATERIALS

1. **Acceptance**  
This order expressly limits acceptance to terms stated herein unless otherwise stated on the face of this order. Any additional or different terms proposed by Seller are objected to in advance and hereby rejected and Buyer's acceptance of Seller's goods and services shall not be deemed an acceptance of Seller's terms.
2. **Assignment**  
This purchase order shall not be assignable by either party without the prior written consent of the other, and Buyer shall be under no obligation whatsoever to recognize any such assignment without its prior consent, and shall be at liberty, regardless to pay the proceeds of this purchase order to the Seller.
3. **Modifications**  
This order contains the entire agreement between Buyer and Seller and may be modified or rescinded only by a written change order (supplement) issued by Buyer and accepted by Seller pursuant to the terms stated herein.
4. **Quality and Warranty**  
(a) General - All material and equipment purchased hereunder is subject to inspection and approval by Buyer. Buyer reserves the right to make final acceptance at his plant or at the designated shipping point. Any material or equipment found defective will be returned and replaced at Seller's expense.  
(b) Raw Materials and Supplies - Seller warrants that materials will comply with his published specifications. Seller agrees to notify Buyer of any changes in process or quality control. Any material found defective will be returned at Seller's expense in both directions, if Seller is not the manufacturer of the material, he will specify the manufacturer and will notify Buyer of any change in the source of material. If Seller has agreed to furnish material complying with Buyer's specifications, they shall take precedence over Seller's specifications.  
(c) Equipment and Mechanical Goods - Seller warrants that the goods purchased hereunder are suitable for the particular purpose stated in this order. Buyer affirms that he has relied on Seller's skill and judgment to select or furnish the goods for a particular purpose. Seller further warrants that the goods are new, of first quality and will be free of defects in workmanship and materials for a period of twelve months from the date of initial operation or eighteen months after delivery to jobsite of the entire order, whichever date shall first occur.
5. **Termination and Delays**  
(a) Buyer may terminate this order at any time.  
(b) Buyer reserves the right to cancel this order or any portion of same and to charge Seller for any loss entailed if delivery is not made when and as specified time being the essence of this order.  
(c) Neither party shall be liable for delays caused by bona fide labor disputes, war, acts of government, accidents, fire, flood or other cause reasonably beyond its control, but shall use all reasonable efforts to minimize the extent of the delay. Buyer reserves the right to terminate this order without further liability if delays due to the above, in its judgment, result in unreasonable hardship.  
(d) If Seller should be adjudged a bankrupt or should make a general assignment for the benefit of his creditors or if a receiver should be appointed on account of his insolvency or if the proceeds of this contract be made the subject of attachment, levy or other legal process, foreign or domestic, or if he should fail to make prompt payment to subcontractors or for materials or labor, or disregard laws, ordinances, or other governmental regulations, or if he should refuse or fail to supply enough skilled workmen or proper materials to prosecute the work, or if he unreasonably or willfully delays the work or violates any provision of the contract including rules and regulations incorporated into this contract by reference, Buyer, by written notice may terminate Seller's services, take possession of the work and finish the work in any manner suitable to Buyer. If the cost of finishing the work exceeds the unpaid balance of the contract price, Seller shall pay Buyer the difference.
6. **Payment**  
Invoices will be paid only if acceptable goods have been received.  
(a) General - Prompt payment of invoices depends upon Seller carefully complying with the procedures established hereunder. Failure to comply with any provisions of this order constitutes a breach of contract which, in addition to making Seller liable for all damages caused by the breach of contract, may result in Buyer cancelling the order in whole or in part. Buyer will be responsible only for materials and/or services provided by Seller on a properly executed purchase order.  
(b) Discounts - Discount shall be calculated from date invoice is received in proper form or from date material is received, whichever is later.  
(c) Freight - Freight must be prepaid on all material sold on a delivered or freight allowed basis.  
(d) Taxes - Seller agrees to pay any taxes imposed by law upon, or on account of the materials and/or services purchased hereunder unless otherwise agreed.
7. **Patents**  
Seller warrants that the services, material or any other item purchased hereunder by Buyer do not infringe any patent or other property right, and agrees to bear the expense of defending any suit brought against Buyer charging that the services, material or other item purchased infringe any patent or other property right, and to pay any profits or damages that may be awarded in any such suit.
8. **Non Disclosure**  
Seller shall not reveal to any third person that Buyer has purchased or contracted to purchase or receive the material or services ordered or advertised that he is a Supplier to Buyer.
9. **Blue Prints, Drawings, Photographs, Etc.**  
Documents showing equipment ordered by Buyer shall be treated confidentially and shall not be disclosed to any third person or used for advertising purposes. Final Vendor's Prints shall become property of Buyer, in the event that this equipment is duplicated at a later date such drawings may be used as but drawings either as originally drawn or as modified by Buyer.
10. **Compliance With Regulations**  
Seller warrants that all goods and services purchased hereunder shall conform with all applicable city, state, and federal laws, ordinances, and regulations and shall indemnify, defend and save Buyer harmless from loss, cost or damage by reason of any actual violation thereof.
11. **Overtime on Contracts for Equipment, Mechanical Goods and all Services**  
If through no fault of the Seller, Buyer requests work in excess of Seller's normal work week, Seller will pay the straight time portion of wages and Buyer the premium time portion plus applicable taxes. No profit or overhead may be added to premium payments. Insurance may be added only in states where insurance premiums are payable on overtime. Overtime required to meet promised delivery dates will be paid by Seller.
12. **Seller warrants that in supplying materials and services hereunder, Seller has complied with paragraphs (1) through (7) of Section 202 and with Section 203 of the Presidential Executive Order # 11246 of September 24, 1965 with respect to Equal Employment Opportunity, in the provisions of 41 CFR 1.1310-2(a), if this order is in excess of \$10,000 or of 41 CFR 1.1310-2(b) if this order is in excess of \$500,000 with respect to Utilization of Minority Business Enterprises, with the applicable provisions of 41 CFR 60.741 if this order is in excess of \$2,500 with respect to Employment of the Handicapped, with the applicable provisions of 41 CFR 60.250 if this order is for \$10,000 or more with respect to Affirmative Action obligations for Disabled Veterans and Vietnam era veterans.**
13. **Certification Of Non Segregated Facilities**  
By accepting this order, the seller certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. Seller agrees that a breach of this certification is a violation of the equal opportunity clause in this purchase order.  
As used in this certification the term "segregated facilities" means any waiting room, work area, restroom, or washroom, restaurant and other eating area, time clock, locker room or other storage or dressing area, parking lot, drinking fountain, recreation or entertainment area, transportation and housing facility provided for employees which are segregated by explicit directive or in fact segregated on the basis of race, religion, color or national origin, because of habit, local custom or otherwise.  
Seller further agrees that he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause, the certification may be submitted either for each sub contract or for all subcontracts during a period five quarterly, semi-annually, or annually.  
If this order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under executive order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100 EEO 1 within 30 days after the award of this contract. If seller has not previously filed compliance reports.

### NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NON-SEGREGATED FACILITIES

A certification of non segregated facilities as required by 41 CFR 60.18, must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the equal opportunity clause, the certification may be submitted either for each sub contract or for all subcontracts during a period five quarterly, semi-annually, or annually.  
If this order is for \$50,000 or more and the Seller employs 50 or more persons, Seller is required under executive order 11246 to develop an affirmative action program for each of Seller's facilities within 120 days after the award of this contract and to file standard form 100 EEO 1 within 30 days after the award of this contract. If seller has not previously filed compliance reports.

REV. 3/82

### ADDITIONAL GENERAL CONDITIONS APPLICABLE TO FIELD LABOR CONTRACTS

1. **IF THIS IS A CONTRACT FOR WORK TO BE DONE ON THE PREMISES OF ROHM AND HAAS COMPANY, ITS SUBSIDIARIES OR AFFILIATES, THE FOLLOWING SECTIONS APPLY IN ADDITION TO OTHER APPLICABLE SECTIONS IN THESE GENERAL CONDITIONS. THE WORDS CONTRACTOR AND SELLER ARE USED INTERCHANGEABLY.**
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Contractor will maintain at his expense complete Workmen's Compensation, Employer's Liability, and Public Liability Insurance against injuries to persons (including death) and loss or damages to property, all such insurance to be carried with companies acceptable to Buyer and all such Public Liability Insurance to have limits satisfactory to Buyer. Contractor shall, upon request by Buyer, file with Buyer Certificates of Insurance evidencing such insurance signed by authorized representatives of the insurance companies attesting that, in the event of any material change in or cancellation of the coverage, at least ten (10) days prior written notice will be given to Buyer.
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If requested, Contractor shall furnish satisfactory evidence as to the kind and quality of materials to be used.  
Subject to the limitations expressed in this contract, the Contractor shall have exclusive control of the manner and method of performing the work, and shall be responsible for persons engaged on the work, none of whom shall constitute employees of Buyer. Contractor assumes responsibility for loss of or damage to materials, tools, equipment or other property to be or being installed by the Contractor, whether furnished by Buyer or others.
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If Contractor does not remove condemned work promptly, Buyer may do so and store materials at Contractor's expense. If Contractor does not pay the removal expense in 10 days, Buyer may, on 10 days written notice, sell the materials and account to Contractor for the proceeds, after deducting all expenses, which must be borne by Contractor.  
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Contractor shall furnish in a form acceptable to Buyer, a breakdown of the contract price for cost accounting purposes within 30 days from the date of award of contract.
14. **Trade Names Information**  
If required by Buyer, after purchase, the Contractor shall furnish Buyer a breakdown by manufacturers and dollar value of major materials entering into this contract.
15. **Release Of Liens**  
If the work is done in Pennsylvania, Contractor shall furnish a waiver of liens in proper form for recording in the public office for recording liens, etc., in the county in which the work is to be performed before any of the work is begun. For work done in any state, Buyer shall have the right to require Contractor to furnish a complete release of liens before final payment is made. If any lien is filed or remains unsatisfied, Contractor shall indemnify Buyer for all sums expended and costs incurred in discharging such lien.
16. **Title**  
If materials and/or equipment are to be furnished by Contractor hereunder title shall pass to Buyer upon installation in the work.
17. **Raw Materials Only**  
Seller warrants that (a) unless excluded by definition from the United States Toxic Substances Control Act (the "Act") all material shipped hereunder is included on the inventory list promulgated under the Act, or is exempt from Part 3 of the Act, and complies in all other respects with applicable requirements and regulations thereunder, and (b) shipments hereunder will comply in all respects with applicable requirements of the Hazardous Materials Regulations Act and regulations thereunder. Seller agrees to hold Buyer harmless from all damages and liability (including attorney fees) resulting from any breach of these warranties.





J. Mills  
S. O'Brien  
R. Johns  
S. Pence  
B. Sutherland  
R. Fancher  
W. Roberts  
L. Walker

Int: 3100 Greenville  
28500 Memphis

cc: F. Belledin  
R. Broadbent  
L. Brookhouser  
M. Carr  
J. Chadwell  
H. Davis  
J. Lang  
E. Maupin  
R. Peebles  
T. Pilla  
J. Salzer  
D. Sutton  
O. Thompson  
Chrono 91-15

February 12, 1991

Mr. G. L. Pratt  
Cedar Chemical Corporation  
5100 Poplar Avenue  
24th Floor  
Memphis, TN 38137

Dear Mr. Pratt,

We need to have Strel 4 delivered to another warehouse.

While we would like to receive 25% of production (317,842 gals. total) 79,460 gals. each month, February through May, only 25,200 gals. should go to Cascio. The remaining 54,260 gals. each month should be delivered to :

W. M. Barr and Company  
2170 Buoy Avenue  
Memphis, TN 38113

Contact: Vernon Richmond or John Bogan  
(901) 775-0100

At this time, we have no preference of when you ship to either warehouse. If that need changes, I will be in touch with you.

Please contact me if you have any questions.

Sincerely,

Cecelia Wnek  
Operation Assistant  
Agricultural Chemicals, NA

cc: Charlie Parker ✓  
Cedar Chemical

CW/bam



INTERNAL CORRESPONDENCE

DATE: January 26, 1985

*Bill Shackelford -  
Please return with your  
comments /R*

TO: R. A. Guidi ✓  
W. C. Keese  
J. L. Hanna

FROM: C. P. Bomar, Jr.

CC: J. C. Bumpers  
A. T. Malone

SUBJECT: Rohm and Haas Contract  
Changes

Attached is a copy of the final revisions to the Rohm and Haas Propanil Agreements. The only thing remaining is to find out whether or not Rohm and Haas intends to exercise its option to supply DCA for 1985.

Please review this as it might impact your respective areas of responsibility. If you have any questions, please contact me and/or Allen Malone.

*C.P.B.*

CPB:ap

Attachment

CC: *John M.  
Charlie P.  
Michael J.  
David S.  
Shag. S.  
Joe P.*

*m*

*m*

## AGREEMENT

THIS IS AN AGREEMENT dated as of January 1, 1985 between ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH"), and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac").

### Background

A. RandH and Vertac are parties to a Sales Agreement dated December 7, 1981 (the "Sales Agreement") providing for the purchase and sale of certain quantities of propanil herbicide ("Product").

B. RandH and Vertac are also parties to a Settlement Agreement dated December 7, 1981 (the "Settlement Agreement") which settled RandH's claims against Vertac for alleged infringement of its patent covering the use of propanil as a rice herbicide, and Vertac's antitrust claims against RandH with respect thereto.

C. RandH has notified the U.S. Environmental Protection Agency ("EPA") that it intends to submit to the EPA in response to EPA's data call-in notice dated July 20, 1983 to registrants of pesticide products containing the active ingredient propanil (the "Data Call-In"), an oncogenicity study in mice carried out by Hazelton Laboratories, Inc. on behalf of RandH (the "Study and Data"), said Study and Data having been

obtained by RandH at a cost of approximately \$780,000.

D. Vertac desires to obtain the right to rely on the Study and Data in support of its continued registrations of propanil herbicide and accordingly has filed with the EPA an Irrevocable Offer to Pay RandH a portion of the cost of obtaining the Study and Data, which portion the parties agree is one third of RandH's cost; i.e. \$260,000.

E. RandH desires to amend the Sales Agreement in accordance with the terms of the Second Addendum attached hereto as Exhibit A (the "Addendum").

F. Vertac is willing to enter into said Addendum for the consideration stated therein and for the additional covenants and agreements of RandH stated in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and with the intent to be legally bound hereby, the parties agree as follows.

1. Amendment of Sales Agreement.

Immediately following the execution and delivery of this Agreement, Vertac and RandH shall each execute and deliver in duplicate the Addendum.

2. Payment to RandH Under Sales Agreement.

Upon receipt of a copy of the Addendum executed by RandH, Vertac shall deliver to RandH its check in the sum of \$310,032.00 which represents the amount owing to RandH under Article 6 of the Sales Agreement as a result of discounts and rebates allowed or paid with respect to RandH's original 1984 distributor price.

3. Waiver of Payment Under Settlement Agreement.

RandH waives its right to receive and forgives the payment of the final installment of \$100,000.00 on liquidated damages which otherwise would have been due and payable by Vertac on January 2, 1985 pursuant to the Settlement Agreement.

4. Rights With Respect to the Study and Data. ✓

(a) RandH will permit Vertac to rely on the Study and Data for the purpose of (1) maintaining its registrations of propanil as a pesticide pursuant to the Federal Insecticide, Fungicide and Rodenticide Act, or otherwise or (2) re-registering propanil as a pesticide pursuant to said Act. As soon as practicable following execution of this Agreement, RandH will inform EPA that Vertac is entitled to rely on the Study and Data for the purposes specified in this Agreement.

(b) As soon as practicable following execution of this Agreement, RandH will supply Vertac with a copy of the Study and Data and will permit Vertac personnel to have reasonable access to the supporting documentation in its possession relating to the Study and Data.

(c) Except as permitted by this Agreement or as may be required by law, Vertac will hold the Study and Data confidential, and will not use or disclose it to any third party. Vertac will have no rights to sell, license or grant any rights to the Study and Data to others.

(d) While RandH believes in good faith that the Study and Data will satisfy the Data Call-In and that they support the position that, when used in accordance with label instructions, the Product will not have an unreasonable adverse effect on human health or the environment, RandH makes no representation or warranty regarding the completeness or accuracy of the Study and Data, or as to any action or recommendation that the EPA will make based on the Study or Data.

5. Successors and Assigns.

This Agreement is binding upon and inures to the benefit of the parties hereto and their successors and permitted assigns. No party hereto may assign this Agreement without the prior written consent of the other.

6. Entire Agreement.

This Agreement, including Exhibit A attached hereto and, as amended hereby, the Sales Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter.

7. Amendment.

This Agreement may not be amended, modified or supplemented in any manner, except by an instrument in writing signed on behalf of each of the parties hereto by a duly authorized officer or representative.

8. Governing Law.

This Agreement will be governed by and construed in accordance with the laws of Pennsylvania.

9. Headings.

The headings in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on this 25<sup>th</sup> day of January 1985.

ATTEST:

By: 

ROHM AND HAAS COMPANY

By: 

ATTEST:

By: 

VERTAC CHEMICAL CORPORATION

By:  A747

SALES AGREEMENT - ADDENDUM NO. 2

THIS ADDENDUM dated as of January 1, 1985 amends the Sales Agreement dated December 7, 1981 (the "Sales Agreement") between ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH") and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac"), as heretofore amended by Addendum No. 1 dated March 29, 1982.

Background

A. The Court of Appeals for the Federal Circuit in Case No. 83-599, decided December 7, 1983, held that U.S. Patent No. 3,816,092, covering the use of propanil as a rice herbicide, was invalid.

B. As a result of the decision of the Court of Appeals, Vertac is no longer bound by the injunctive provisions of the Consent Decree and Injunction entered in Civil Action No. H-80-2552 in the United States District Court for the Southern District of Texas, Houston Division.

C. Recognizing that Vertac is no longer prohibited from competing with RandH for U.S. sales of propanil herbicide, RandH and Vertac desire to amend the Sales Agreement so as to revise the method of establishing prices payable for Product (as



defined in the Sales Agreement) sold to RandH thereunder, and particularly, to permit RandH to protect its current pricing information against disclosure to Vertac during periods when such information might be considered by RandH to be in the nature of trade secrets.

NOW THEREFORE, in consideration of the mutual covenants contained herein and with the intent to be legally bound hereby, the parties agree as follows.

1. Article 3 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

3. Price

- a) Initial Price. For all Product delivered by Vertac in a given Contract Year, RandH shall pay Vertac an initial price per gallon f.o.b. Vertac's West Helena, Arkansas plant equal to 85% of RandH's Final Average Weighted Distributor Price (as hereinafter defined) for the preceding Contract Year, less the cost, determined as set forth in Article 7, of the DCA supplied by or on behalf of RandH. The Final Average Weighted Distributor Price for any Contract Year shall be equal to the total invoiced price for all Product shipped by RandH to its U.S. Distributors during a Contract Year less (1) any discounts from the invoiced price granted by RandH in respect of sales of Product, and (2) the amount of any

year-end rebates paid or granted by RandH in respect of sales of Product, divided by the total number of gallons shipped during such Contract Year. If RandH has issued a credit against the invoiced price of any Product pursuant to any inventory protection plan, such Product, if carried over for rebilling by RandH in a subsequent Contract Year, shall not be deemed as having been shipped during the current Contract Year. The initial price for Product shall be adjusted as provided in Paragraph b) below.

b) Price Adjustments.

(1) If the Final Average Weighted Distributor Price for the current Contract Year exceeds the Final Average Weighted Distributor Price for the preceding Contract Year, RandH shall pay Vertac an additional sum equal to 85% of the difference between such prices, multiplied by the total number of gallons of Product delivered by Vertac. Such payment shall be made within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price, in accordance with Article 7(a) hereof.

(2) If the Final Average Weighted Distributor Price for the current Contract Year is less than the Final Average Weighted Distributor Price for the preceding Contract Year, Vertac shall refund to RandH 85% of the difference between such prices multiplied by the total number of gallons of Product delivered by Vertac; provided, however, Vertac shall not be required to make any payment to RandH to the extent that any such payment would cause Vertac's revenues from sales of Product to RandH to be less than the sum of (a) 112.5% of Vertac's Direct Manufacturing Costs (as hereinafter defined), and (b) 12.5% of the cost of any DCA supplied by RandH pursuant to Article 7 hereof, valued at the price per pound stated in the notice from Vertac to RandH as provided in Article 7. Direct Manufacturing Costs shall mean (a) the raw material and plant operating costs incurred by Vertac to manufacture Product for RandH, (b) a prorata share of depreciation expense for the equipment and facilities used to manufacture such Product in accordance with Vertac's normal depreciation schedule, and (c) a prorata share of administrative costs associated with the operation of the Plant

used to produce the Product. Any payment due from Vertac under this paragraph shall be due within 30 days of RandH notifying Vertac of the Final Average Weighted Distributor Price.

2. Article 6 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

6. Terms of Payment.

Vertac shall invoice RandH for all Product delivered hereunder effective on the date of each such delivery at the price determined in accordance with Article 3(a) of the Sales Agreement, and RandH shall pay such invoices within 30 days of the dates thereof.

3. Article 7 of the Sales Agreement is deleted and the following is inserted in lieu thereof:

7. Price and Quantity Notification/Option to Suspend.

- a) Not earlier than October 1 nor later than November 1 of each Contract Year except 1991, RandH shall notify Vertac in writing of its Final Average Weighted Distributor Price for Product sold during such Contract Year. Concurrently with such notification, RandH shall notify Vertac of the quantity of Product, expressed in gallons, to be purchased

by it in the next succeeding Contract Year as determined pursuant to Article 2. Within 30 days following receipt of such purchase order, Vertac shall notify RandH of the quantity of DCA needed to produce the quantity of Product to be purchased by RandH and the bona fide contract price per pound (F.O.B. Vertac's Plant) (the "DCA Price") at which it would be able to purchase such quantity of DCA. Vertac's notice shall also include the specifications for such DCA (the "DCA Specifications"). Within 15 days after receipt of such notice, RandH shall notify Vertac whether it elects to supply Vertac with DCA of the quality and in the quantity stated in Vertac's notice. If RandH makes such election, the invoiced price per gallon of Product hereunder shall be reduced by an amount equal to Vertac's DCA Price multiplied by 3.152, which represents the number of pounds of DCA (100% A.I.) needed to produce one gallon of Product. If RandH makes such election, as aforesaid, it shall arrange for its supplier to deliver, upon notice by Vertac, such quantities of DCA as Vertac shall require to produce Product for RandH in accordance with this Agreement; provided that

if Vertac should order and receive quantities of DCA in excess of such amount, Vertac shall pay RandH for such excess quantities of DCA at the then applicable DCA Price. Payment for any such excess DCA shall be due and payable by Vertac within thirty (30) days of delivery of such excess quantity of DCA to Vertac.

Quantities of DCA supplied by RandH hereunder shall be determined with reference to the certified scale weights of RandH's supplier unless same should prove to be in error, as shown by clear and convincing evidence supplied by Vertac.

- (b) The foregoing notwithstanding, for the 1985 Contract Year only, immediately following the full execution and delivery of this Addendum, Vertac shall deliver to RandH its DCA Price and DCA Specifications applicable in the 1985 Contract Year. Within five (5) days after receipt of such notice, RandH shall notify Vertac whether it elects to supply Vertac the 1,222,976 pounds of DCA (100% A.I.) (meeting the DCA Specifications) required for Vertac to produce Product for RandH during the 1985 Contract Year. If RandH so elects, Vertac shall have five (5) days after its receipt of notice of such election to reduce the quantity

of DCA that would otherwise be supplied by RandH hereunder to a lesser amount, but in no event less than 315,200 pounds (100% A.I.); provided that, if Vertac makes such election, it shall pay to RandH the sum of \$.0818 per pound times the number of pounds by which Vertac elects to reduce the quantity that would otherwise have been supplied by RandH, as aforesaid. Said sum shall be due and payable by Vertac simultaneous with said election by Vertac. Except as modified by this subparagraph (b), the provisions of Article 7(a) shall also be applicable in the 1985 Contract Year.

- c) RandH shall have the right, in accordance with the audit procedures set out in Article 13(b) of the Sales Agreement, to verify Vertac's ability to purchase DCA at the cost stated in the notice delivered to RandH pursuant to this Article 7.

4. Addendum No. 1 to the Sales Agreement is hereby deleted in its entirety.

5. Exhibit A to the Sales Agreement (propanil specification) is deleted and the attached Exhibit No. 1 shall be substituted therefor.

6. The quantity of Product which RandH shall purchase from Vertac in the 1985 Contract Year shall be 379,000 gallons,

determined in accordance with Article 2 of the Sales Agreement, plus 9,000 gallons, being the difference between the reduction in the quantity of Product sold to RandH in the 1983 Contract Year pursuant to the provisions of Addendum No. 1 and the quantity of Product actually sold by Vertac in California in said year.

6. Except as amended hereby, the provisions of the Sales Agreement shall continue in full force and effect during the remaining term thereof.

IN WITNESS WHEREOF, the parties have executed this Addendum No. 2 this 25<sup>th</sup> day of January, 1985.

ATTEST:

By: 

Secretary

ROHM AND HAAS COMPANY

By: 

Vice President

ATTEST:

By: 

Sales Agent 3

VERTAC CHEMICAL CORPORATION

By: 

Atty



**EXHIBIT A**

INTERIM ☐   
 SUPERSEDES SPEC DATE: October 28, 1982 FINAL ☒ 6   
 GENERAL:

ISSUED BY: P. DI Romualdo

- ter                      ss.   
 ucl                     flr   
 npl                    2.   
 ury                    ne.   
 ratio
- 3) Send a 4 oz sample to Dept. 7333, Spring House.   
 4) Also on abnormal batches.   
 5) Product shall be free of contaminants that would materially impair its utility as a herbicide in rice. *ACM*

HM AND HAAS KNOXVILLE   
 LRMCART.45

Stam M-4 HF				RE-EXAM DATE		QUALITY CODE
CODE: 6 2684						
TEST DESCRIPTION/ TEST METHOD 222	SPECIFICATION	TEST SCHED.		EOP ACCESS CODE	TEST RESULT	
		FO	T			
Active Ingredient lb/gal @ 25°C	3.95 - 4.2	E	10	0083		
Appearance	Dark liquid, subst. free from solids	E	30	0630	OK( ) OK( ) NG( ) NG( )	
Emulsion Performance	-----					
Self Emulsification	Fair to Good	E	10	0801	OK( ) NG( )	
Sep. after 1 hour 100 ppm hard water	2% total bottom separation, max	E	10	0796		
Sep. after 1 hour	2% total bottom					

Solvent Ratio	0.85 - 1.15	E	10	2214	
Phytotoxicity Index on Rice	Difference from Standard - +1.5, maximum	20 (3)(4)	10	0311	OK( ) NG( )
Phytotoxicity Index on Weeds	Difference from Standard - -1.5, maximum	20	10	0313	OK( ) NG( )

EXHIBIT 1

**VERTAC'S DCA SPECIFICATIONS**

VERTAC CHEMICAL CORPORATION

Material Specification Sheet

3,4-Dichloroaniline Technical  
(For use in Producing Propanil)

SPECIFICATION	(259-D-3) Technical
Water content, %, max.	0.1
3,4-Dichloroaniline, %, min.	98.0
Morpholine and its salts, %, max.	0.5
Morpholine, %, min.	0.2
Aniline and monochloroanilines, %, max.	0.4
Isomeric dichloroanilines, %, max.	1.3
Nitro compounds as 3,4-dichloronitro- benzene, %, max.	0.1
Hydrazo tars, %, max.	0.4

VERTAC CHEMICAL CORPORATION

Material Specification Sheet

3,4-Dichloroaniline 93 Technical  
(For use in Producing Propanil)

SPECIFICATION	(253-D-4) Technical
Water content, %, max	0.1
3,4-Dichloroaniline, %, min	93.0
Morpholine and its salts, %, max	0.75
Morpholine, %, min	0.25
Aniline and monochloroanilines, %, max	-
Isomeric dichloroanilines, %, max	-
Nitro compounds as 3,4-dichloronitrobenzene %, max	-
Hydrazo tars, %, max	-

SALES AGREEMENT

ADDENDUM NO. 1

THIS ADDENDUM, made as of the 29th day of March, 1982, amends the Sales Agreement dated December 7, 1981 (the "Sales Agreement") by and between the undersigned, ROHM AND HAAS COMPANY, a Delaware corporation having its principal place of business at Philadelphia, Pennsylvania ("RandH"), and VERTAC CHEMICAL CORPORATION, a Delaware corporation having its principal place of business at Memphis, Tennessee ("Vertac").

WHEREAS, RandH and Vertac desire to amend the terms of the Sales Agreement in accordance with the terms of this Addendum;

NOW, THEREFORE, it is agreed:

1. As of the Effective Date hereof through December 31, 1990, Vertac is granted a royalty-free license under RandH's United States Patent No. 3,816,092, to sell and deliver Product under Vertac's EPA Registration No. 39511-8, or under similar registrations, exclusively to distributors, dealers and/or users located in the State of California.

2. Vertac shall report to RandH at the end of each Contract Year the total number of gallons of Product sold by it in California during such Contract Year in accordance with and during the term of the license granted hereunder. The quantity of Product to be purchased by RandH pursuant to paragraph 2 of the Sales Agreement shall be reduced by 15,000 gallons in the first Contract Year and by 25,000 gallons in each Contract Year thereafter during the term of the license granted hereunder. In the event that the total number of gallons of

Product sold by Vertac in California in any Contract Year shall exceed or fall short of the amount of said reduction in the quantity of Product sold by Vertac to RandH in such Contract Year, the quantity of Product to be purchased by RandH pursuant to paragraph 2 of the Sales Agreement during the immediately succeeding Contract Year shall be reduced or increased by the amount of such excess or shortfall, respectively.

3. RandH shall have the right to audit the quantities of Product sold by Vertac in California, as reported by Vertac in accordance with this Addendum, said audit to be carried out in January of each Contract Year of the Sales Agreement, upon at least three days' prior notice to Vertac, and otherwise in accordance with the provisions of paragraph 13(b) of the Sales Agreement.

4. Except as amended by this Addendum, the terms of the Sales Agreement shall remain in full force and effect during the term thereof.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their duly authorized officers as of the day and year first above written.

ATTEST:

ROHM AND HAAS COMPANY

By: 

By: 

Assistant Secretary

ATTEST:

VERTAC CHEMICAL CORPORATION

By: 

Assistant Secretary

By: 

President